

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Subscription rates: U.S. \$100/yr, Foreign \$120/yr, etc.

ESTABLISHED 1887

No. 34,209 8/93

LONDON, TUESDAY, FEBRUARY 23, 1993



FRACAS IN LIVERPOOL — The police dragging a man away Monday from a van carrying two 10-year-old youths accused of killing a 2-year-old Liverpool boy. Page 4.

Clinton to Demand Enforcement of Limits On Airbus Subsidies

By Paul F. Horvitz International Herald Tribune WASHINGTON — President Bill Clinton vowed Monday to seek "tough new discipline" on Europe's subsidies of its Airbus jetliner and to "change the rules of the game" to protect U.S. aerospace jobs.

In a speech to workers at the Boeing Co. near Seattle, Mr. Clinton said that his top trade official, Mickey Kantor, would be "closely monitoring the agreement which was made finally last year with regard to limiting European subsidies to Airbus to allow a level playing field."

That 1992 agreement between Europe and the United States limited government subsidies for the aircraft industries on both sides of the Atlantic, but there have been conflicting reports about whether the White House planned to reopen the agreement. Mr. Clinton's comments Monday, while not specific about his intentions, indicated that the United States might interpret the new agreement strictly.

"We'll be seeking tough new discipline on those subsidies, both in our attempts to get an agreement on the General Agreement on Trade and Tariffs, as well as the specific aircraft code," Mr. Clinton said. "You know, I've seen these agreements made for years. I've seen people promise us they'd do this, that, and the other thing, and then nothing ever happens."

Later he added: "A lot of that has to do with the fact that other nations follow targeted strategies of partnerships to pierce markets which you had dominated under a free-market system but with which you could not compete if Europe subsidized Airbus to the tune of \$26 billion, for example."

Many Boeing layoffs, he said, "would not have been announced had it not been for the \$26 billion that the United States sat by and let Europe plow into Airbus over the last several years."

"So we're going to try to change the rules of the game," he said.

Earlier Monday, Mr. Clinton, calling for "a partnership with the private sector," pushed his economic plan in California's Silicon Valley and unveiled a multibillion-dollar program of tax incentives to encourage high-technology research.

The program also calls for changes in antitrust laws to permit "joint production ventures," the White House said, and would expand a Commerce Department program that provides matching grants for industry-led research and development consortiums.

The centerpiece of Mr. Clinton's high-technology program would make permanent the government's research and experimentation tax credit for businesses. The credit would be retroactive to 1992 and would cost the Treasury \$6 billion over the next four years.

The initiative also includes efforts to encourage creation of an advanced "clean" automobile, for developing new energy conservation technology and for creation of regional centers to give smaller businesses access to advanced technology like supercomputers. It would transform an existing military advanced research agency to a civilian agency and seeks to help build a national information "superhighway."

The national data link would give researchers and businesses access to a vast amount of information and, said Vice President Al Gore, permit schoolchildren to "plug into a digital library" at home rather than amusing themselves with Nintendo after school.

Mr. Gore, who has taken the lead in technology issues at the White House, announced the initiative to employees of Silicon Graphics, a computer company in Mountain View, California. He and the president toured the company before flying to Seattle.

The high-technology initiative is already built into the \$168 billion Mr. Clinton wants to spend over the next four years for "investment" projects aimed at creating higher-wage jobs. About \$50 million would be spent immediately under the president's short-term stimulus package.

Japan Feels Pain in Call For Yen's Rise

By Steven Brull International Herald Tribune TOKYO — With its economy in recession and its currency at a record high against the dollar, the last thing Japan wants now is a sharp run-up in the value of the yen.

Major car and electronics exporters, their profits in decline because of the sluggish domestic market, would see their competitiveness and profit margins eroded further overseas. As the pressure filtered back home, Japan's job market would weaken further, consumption would fall and — to the chagrin of its American and European partners — the trade surplus would swell in the short term.

"The Japanese economy is still in bad shape," said Masaru Takagi, chief economist at the Fuji Research Institute. "If the yen rises further it's a double negative and the U.S. won't be able to export so many products to Japan."

In the long run, though, economists agree a stronger yen would work to the advantage of Japan and the rest of the world. It would increase Japanese imports by making them cheaper, and spur another wave of foreign direct investment that would create growth and jobs overseas, especially in Southeast Asia. It also would make Japanese companies fiercer competitors.

A stronger yen would boost the financial and industrial competitiveness of Japan in the long term, Mr. Takagi said. "Japanese companies would have to overcome it by becoming more efficient."

Speculation that the Group of Seven industrial nations will try to trim Japan's trade surplus by agreeing to boost the yen at their meeting Saturday in London has caused the Japanese currency to rise more than 6 percent against the dollar in the past two weeks.

On Monday, the dollar closed in Tokyo at a record low of 116.85 yen. It fell further to close at 116.35 in New York, down from 118.32 Friday. Two weeks ago, it stood at 124.30 yen.

It's uncertain, however, how long the yen's strength will last. Economists note that in addition to speculative trading, the yen is being boosted by the repatriation of funds by Japanese companies seeking any cushion they can find for what is expected to be the third straight year of declining profits in the period ending March 31. If anything, fundamentals point to a weakening of the yen later this year, as the American recovery puts upward pressure on U.S. interest rates.

Prime Minister Kiichi Miyazawa and other officials also have been trying to slow the yen's appreciation, expressing concerns over the pace of the recent gains. The Bank of Japan governor, Yasushi Mieno, has hinted that the central bank would intervene if the currency rose too rapidly.

The yen's surge on Monday hit the Tokyo stock market, where the Nikkei index fell 189.42 points to 16,820.61. Japanese government bond prices jumped, with the yield on the benchmark 10-year bond dropping below 4 percent for the first time since July 1987.

Japan's trade surplus, which soared to a package. See YEN, Page 12

UN Votes to Set Up Balkan War Crimes Court

By Julia Preston Washington Post Service UNITED NATIONS, New York — The Security Council voted unanimously Monday to establish a special international tribunal to try war crimes committed since 1991 in the fighting in the former Yugoslavia.

It is the first time the United Nations has set up a court to prosecute crimes against humanity, and the first globally mandated forum to prosecute such crimes since the Nuremberg trials after World War II.

Voiting on a French proposal, the council asked Secretary-General Boutros Boutros Ghali to prepare a report within 60 days detailing the specific structure and procedures of the tribunal.

"There is an echo in this chamber today. The Nuremberg principles have been reaffirmed," said the U.S. ambassador, Madeleine K. Albright. "The lesson that we are all accountable to international law may finally have taken hold in our collective memory."

Mrs. Albright added, "This will be no victor's tribunal," in a reference to charges raised at the

time of the Nuremberg trials that they administered only the justice of the allies who triumphed in the war.

United Nations diplomats hoped their vote would deter atrocities as the war continues. But establishment of the court and its rules for operation are months away, and Bosnia's UN ambassador cast doubt on whether war crimes would stop.

"We should not kid ourselves that war criminals are going to be deterred by just the establishment of a tribunal," said Mohammed Sacirbey, the Bosnian envoy.

Fighting in the former Yugoslavia has been accompanied by accounts of mass killings, rapes, torture, ethnic cleansing — the mass expulsions of rival ethnic groups — and detention centers reminiscent of Nazi concentration camps.

Council diplomats said they expected the new tribunal, an ad hoc body limited to covering only former Yugoslavia, can be set up without time-consuming disputes because international laws governing war crimes have

See CRIMES, Page 2

Peace and Rain Give Mozambicans Cause for Hope

By Bill Keller New York Times Service TETE, Mozambique — On a continent of withered promise, where country after country has defeated recent dreams of creating civil order out of chronic chaos, Mozambique has unexpectedly emerged as a candidate for an African success story.

When a cease-fire was signed in October, few expected it to end this country's savagely indiscriminate 16-year war, but it has held for months. A ruthless drought that had aid donors touting Mozambique as the next Somalia has been broken by queching rains, and the country is carpeted with corn.

Here in the fertile northwest, refugees who fled the insurgent Mozambique National Resistance Movement, or Renamo, are streaming home from border camps in Malawi and rebuilding

the cane huts burned by the rebels. In other regions, food and medicine are reaching villagers isolated for many years behind guerrilla battle lines.

"We've got a combination of peace and rain, which there hasn't been in Mozambique for a quarter of a century," said Arthur M. Hussey 3d, coordinator of relief deliveries for CARE.

Mozambicans from President Joaquim Chissano down to the resettled peasants and dormant warriors describe a universal weariness with war. Foreign donors and diplomats speak of Mozambique with an optimism that surprises them, as a place where the West's post-Cold War ambition of playing midwife to new democracies stands a chance of being fulfilled.

The greatest danger now to Mozambique's tranquility, almost everyone agrees, is Mozambique's tranquillity.

Lacking scenes of carnage and starvation to disturb Western television audiences, Mozambique is having trouble competing for attention with Somalia and the Balkans.

As a result, the dispatch of United Nations peacekeeping troops — which is a prerequisite for disarming the rivals, merging them into a new national army and moving toward elections — has fallen far behind schedule.

Some fear that the cease-fire faces a serious test in March, when the new crop comes in and Renamo, which was drawn to the peace table in part by hunger, is no longer dependent on foreign handouts.

"Delay is a big danger, of course," Mr. Chissano said in an interview in Maputo, the capital. "The soldiers and the Ren-

See MOZAMBIQUE, Page 4

New Delhi Girds For Rally of Angry Hindus

By Edward A. Gargan New York Times Service NEW DELHI — India's capital was a city under siege Monday as it braced for an enormous demonstration by Hindu fundamentalists, which is scheduled for Thursday and has been banned by the government.

Fears of violent confrontations between fervent Hindu militants and the police are sweeping New Delhi even as security forces try to seal the city off from the rest of India.

Hindu leaders were being rounded up by the police; trains pulling into the city's three stations were being checked for Hindu protesters, and the roads into the city were sealed to motor caravans of Hindu activists.

Along Raj Path, the huge grassy esplanade and boulevard leading to the looming red sandstone government buildings, workers hammered giant wooden beams into the asphalt and began laying metal pipe barriers across roadways. Groups of green-uniformed police wielding long bamboo staves idled in the shade of plane trees.

For weeks, Hindu political leaders have been promising that more than a million of their supporters would descend on the capital in an effort to bring down the government of Prime Minister P. V. Narasimha Rao. By staging a massive protest outside Parliament, the Hindu leaders said that they would force Mr. Rao to call for new national elections, which they hope will catapult them to power.

But Mr. Rao, under pressure from colleagues in his ruling Congress (I) Party who have said the protest would degenerate into violence, has outlawed the demonstration and flooded the city with police and paramilitary troops. The political opposition, the Bharatiya Janata Party, has said that the protest will go ahead despite the ban.

"The point is," said Mr. Rao, in an interview, "in an atmosphere which is surcharged with communal feelings, tensions, you cannot take this risk. It is that simple."

L.K. Advani, the leader of the opposition in Parliament, denounced the government for banning the rally and staged a three-hour sit-in of fellow opposition lawmakers on the lawns of the circular, pillared Parliament building. The

See INDIA, Page 4

Kiosk U.S. Names Chief For Aid to Russia

WASHINGTON (Reuters) — The United States appointed a coordinator of U.S. aid to the former Soviet Union on Monday, soon after the current coordinator said President Boris N. Yeltsin's days in power were numbered.

The new coordinator is Thomas W. Simons Jr., the U.S. ambassador to Poland, a State Department spokesman said. Mr. Simons will replace Richard L. Armitage, a Bush administration appointee who is likely to stay in office until April or May.

The Clinton administration has sought to distance itself from recent comments by Mr. Armitage in which he said he expected Mr. Yeltsin to be ousted before his presidential term ends in 1996.

When asked whether Mr. Armitage's remarks had hastened Mr. Simons' appointment, Mr. Snyder said the administration had been working for a month on appointing a new coordinator, who will work for Strobe Talbott, President Bill Clinton's designated ambassador-at-large to the Commonwealth of Independent States.

Mr. Simons, a career diplomat, has served as director of the State Department's office of Soviet Union affairs and as deputy assistant secretary of state for European affairs.

Related article, Page 5



NO MORE QUESTIONS — President Elias Hrawi of Lebanon signaling to reporters Monday at news conference with Secretary of State Christopher. Page 4.

Table with market data: Dow Jones (Up 20.81), Trib Index (Up 0.50%), The Dollar (New York, Mon. close, previous close), DM (1.8247, 1.8238), Pound (1.4571, 1.454), Yen (116.35, 118.32), FF (5.487, 5.547)

General News Vietnam is edging closer to eventually joining ASEAN. Page 5. A surprise UN inspection failed to find any hidden Iraqi Scuds. Page 4. A Turk feels perfectly at home on Berlin's city council. Page 2. China's president may be jettisoned soon. Page 5.

Business/Finance Virgin Atlantic gave British Airways a deadline for reparations. Page 11. China fever appears to be waning on the Hong Kong stock market. Page 15. Crossword Page 18. Weather Page 18.

In the New Russia, It's Traveler Beware

By Margaret Shapiro Washington Post Service MOSCOW — Travelers in the former Soviet republics fortify themselves with a certain black humor, a competition to top the latest tale of the worst hotel (in Armenia, with mice in the bed and mushrooms on the walls), the most delayed flight (out of Khabarovsk, where passengers waited a week of waiting), and the most bizarre in-flight conditions (snowdrifts in an unheated cabin).

This is one of the ironies of life here: Just when it became possible to go anywhere in the old Soviet orbit, the process of traveling has become so grim as to make one almost long for the days of stony-faced Soviet guides.

Travel was never luxurious here, even in the empire's heyday. But airplanes hewed to a rough schedule, visa regulations did not change daily, hotels for foreigners provided heat and hot water, and one was not forced to share a taxi ride with a gun-toting ethnic warrior in full battle gear.

Now, with the Soviet superpower splintered, local wars flaring and economic and political chaos taking their toll, even basic comforts can no longer be counted on.

Moscow's busy Domodedovo Airport provides a case study. Flights are delayed for days at a time — by lack of fuel, bad weather, warfare at the other end or simply unknowable causes — and the delays are so frequent that the airport's grimy, poorly lit corridors are filled with exhausted families camping out and waiting, blankets spread on the muddy tiles, diapers and undershirts hanging out to dry.

Explicitly, departures may be announced and passengers hurriedly herded onto a frigid, dilapidated bus — only to find, at a distant corner of the airfield, a darkened plane still covered with snow and ice, without stairways or a flight crew. If the passengers are lucky, they are then returned to the "waiting lounge"; often, though, they must simply huddle beneath the ghostly jet or walk back to the terminal, dodging

See TRAVEL, Page 2

Italy's Corruption Scandal Ensnarers 2 Fiat Officials Arrests Buffet Government and Stocks

By Alan Cowell New York Times Service ROME — Magistrates investigating Italy's growing bribery scandal arrested two high-ranking Fiat executives on Monday, buffeting the stock market and bringing a yearlong probe into official corruption closer to the auto giant that symbolizes the country's private business sector.

The turbulence on the Milan stock exchange, in turn, presented new headaches for the beleaguered administration of Prime Minister Giuliano Amato, who is desperately seeking some show of market confidence after a weekend cabinet reshuffle caused by the resignation of three ministers in connection with the corruption scandal.

The arrest in Turin of Fiat SpA's finance director, Francesco Paolo Mattioli, and Antonio Mosconi, head of the group's insurance arm, Toro Assicurazioni, shocked many financial analysts, since Mr. Mattioli in particular is viewed as a key figure in the conglomerate's hierarchy.

He is close to the chief executive officer, Cesare Romiti, the trusted side of the president, Gianni Agnelli.

A statement from Fiat's Turin headquarters shortly after the arrests registered "deep astonishment" and expressed "complete solidarity and the absolute conviction that the two managers, who have always carried out their duties with the utmost uprightness and diligence, will readily demonstrate their noninvolvement in any circumstances attributed to them."

Both men were arrested in connection with purported misdoings in a Fiat construction subsidiary, Cogefar-Impresit, of which Mr. Mattioli is chairman.

He also has a string of other positions in Fiat's sprawling domain. Mr. Mosconi is a former vice chairman of the company.

For the past year, magistrates in Milan have been unraveling a bribery scandal of epic proportions involving hundreds of politicians and office-holders accused of trading public works contracts for bribes used to bankroll political parties.

Estimates of the amount of money to change hands over the years run into billions of dollars.

Accusations of Fiat's involvement first surfaced last year when magistrates arrested Enzo Papi, a director of Cogefar-Impresit, in connection with bribes purportedly paid to the dominant Christian Democratic Party in return for a contract for a Milan subway.

The contract was also said to have provided for other Fiat subsidiaries to act as suppliers of commercial vehicles, rail tracks and subway cars.

Mr. Papi had been implicated by Maurizio Prada, a former Christian Democratic party boss in Milan, who told magistrates earlier this month that bribes worth more than \$1 million had been paid to his party during negotiations on the contract.

Moreover, according to Italian news reports, Mr. Prada also implicated Mr. Mattioli and Mr. Mosconi, who were interrogated by the Milan

See FIAT, Page 13



# FIRST 100 DAYS / A COSTLY MEDICAL IDEA

## ★ POLITICAL NOTES ★

### Washington Lobbyists in Holding Pattern

WASHINGTON — Understand, please, that Tom Donohue, the president and preeminent lobbyist for the American Trucking Association and its 4,000 members, does not actually oppose President Bill Clinton's package of tax increases and deficit reductions. Not even its tax on energy sources, including the diesel fuel that is the truckers' lifeblood.

"People want Bill Clinton to succeed," he said. "We're not going to fight it. We're just going to work with Congress to assure that it is fair."

Washington's lobbyists are starting to talk, and suddenly the town has a serious echo problem.

Mr. Clinton wants to cut low-interest federal loans to rural electric utilities. "Our guys will take their fair share, with the emphasis on the word 'fair,'" says a spokeswoman for the National Rural Electric Cooperatives Association representing 1,000 utilities and 25 million customers. "We want them to look at the subsidies the rest of the utility industry gets."

Mr. Clinton wants to stimulate the economy, which could increase mortgage rates, and he wants to scale back guaranteed benefits like the low-interest home loans for veterans. "Deficit reduction is something we feel strongly about," says the chief lobbyist for the National Association of Realtors with its 800,000 members. "The question is not having it apply disproportionately to real estate."

"Not that we don't expect to pay our fair share," he adds. (NYT)

### Aspin is 'Clearly Improved,' Doctors Say

WASHINGTON — Defense Secretary Les Aspin was reported on Monday to be "clearly improved" after being hospitalized late Sunday for shortness of breath attributed to a "mild pre-existing heart condition," the Pentagon said.

A statement released at the Pentagon said Mr. Aspin's physicians at Georgetown University Hospital had examined him and found him "to be clearly improved."

The Pentagon did not identify Mr. Aspin's physicians, nor did it say how long he was expected to remain hospitalized. He was admitted Sunday night with symptoms that were triggered by a "fever caused by a series of immunizations," an earlier Pentagon statement said. The shots were given on Saturday in preparation for a trip abroad, that statement said. It was not immediately clear whether the hospitalization would affect those travel plans.

Mr. Aspin's spokesman, Vernon Guidry, said the secretary was conscious and "in possession of his faculties." Mr. Aspin, 54, has had a history of heart problems. (AP)

### From Fund-Raising to Ambassadorship?

WASHINGTON — The word from a knowledgeable source is that Pamela Harriman, a leading Democratic fund-raiser, is a "done deal" to be the next U.S. ambassador to France. Despite her lack of a college degree, Mrs. Harriman, British-born wife of the late W. Averell Harriman, certainly meets the traditional qualifications for the job — tight political connections and major campaign contributions. And what of Secretary of State Warren M. Christopher's edict that ambassadorial posts not be rewards to major campaign contributors? (WPT)

### Quote / Unquote

Vice President Al Gore, when asked about Republican criticism of the Clinton economic plan: "Some of the critics have a lot of oerve, presiding over the quadrupling of the national debt and using smoke and mirrors for a dozen years and now attempting to prevent progress out of the nightmare that they helped create." (AP)

### Away From Politics

- Governor Mario M. Cuomo of New York has nominated Judith Kaye, 54, a state appeals judge, to become New York's first woman chief justice. If she is confirmed by the Republican-controlled state Senate, Judge Kaye will lead the Court of Appeals, New York's top tribunal.
- Cigarette smoking may raise a person's risk of leukemia by 30 percent and may cause about 14 percent of adult leukemia cases in the United States, scientists report in the current issue of the Archives of Internal Medicine. That would mean perhaps 3,600 cases a year, said researchers, who pooled results from 15 studies that included more than 4.5 million people. The study was written by Ross Brownson, director of chronic disease prevention at the Missouri Department of Health to Columbia, Thomas Novotny of the University of California, Berkeley and Michael Perry of the University of Missouri School of Medicine in Columbia.
- The New York Post has obtained a major new investor — Abraham Hirschfeld, a multimillionaire real-estate developer, who has invested \$3 million in the Post and will become chairman of the board.
- A Chicago Transit Authority train rear-ended another that had stopped in a tunnel Sunday, the first day the trains were running along a new route, authorities said. Thirty-five people were hurt.
- The graphic anti-homosexual video "The Gay Agenda," which was widely distributed in Congress and the Pentagon during the recent debate over homosexuals in the military, was produced at a small fundamentalist church in Lancaster, California, Antelope Valley Springs of Life Ministries. The church recondemned the television evangelist Jim Bakker after a scandal involving his ministry; he preached his last sermons there before entering prison. (AP, NYT, LAT)



President Clinton laughing at a computer animation sequence in a studio of Silicon Graphics in Mountain View, California, on Monday. Before flying to Seattle, he and Mr. Gore toured the company, and the vice president detailed the technology initiative to employees.

## He's Like Lincoln and 'Talks to People'

By William Booth  
Washington Post Service

MIAMI BEACH — Adele Lapin and her friend and neighbor Ann Chorover did not watch President Bill Clinton address Congress last week. They went to the opera. When you're 83 and 91, respectively, and live on a fixed income in a tough neighborhood, you go to "Tosca" when you get the chance.

This is not to say that they did not hear Mr. Clinton's speech or the voluminous commentary on it. By Thursday morning, they had watched the late-evening news broadcast, the public-affairs discussion program "Nightline," Cable News Network and the oves and entertainment program "Good Morning America." They could quote lines from the speech.

Ms. Lapin and Ms. Chorover are representatives of a subculture still quietly thriving in southern Florida: ethnic, urban, retired working-class people. Many were born in Europe, many are Jewish, and many are liberals or, to a few cases, socialists.

To say Ms. Lapin and Ms. Chorover liked Mr. Clinton's words is like saying they are

sweet little old ladies — it is not enough. There is more to it than that.

"He talks to the people," Ms. Lapin said. "That means more to me than anything, more than Roosevelt, more than Kennedy. He knows he's got to work with the real people who make up this country. He's a people's president. Put that in the newspaper."

Ms. Lapin has seen a lot of the world in 83 years. Born in Ukraine, she remembers World War I. She emigrated to the United States in 1920, became a nurse and worked in the Bronx borough of New York City for most of her life.

She lives in a small apartment crowded with old books, record albums and photographs in the shadow of the beachfront condominiums of Miami Beach, but on a side street where sounds of gunfire and sirens are not uncommon.

Ms. Lapin lives on her Social Security, small savings and pension. One of her largest expenses is the insurance that many elderly people buy to cover the difference between what Medicare, the government's health insurance program, pays and what hospitals and doctors charge.

"I have an apartment," she said. "I eat. I can go out and listen to music now and then, I feel like a rich person. I can pay a little bit more. I can help the president if they would only let him do what he needs to do."

Ms. Lapin said she believed that the budget deficit Mr. Clinton inherited was bigger than his Republican predecessors had said it was. She also said she was not angry with him for breaking campaign promises about the middle class and taxes.

She was more interested in what the president said about jobs, education, the environment and investment — and it was like a Puccini aria to her.

"I think he could be a Lincoln," Ms. Lapin said of Mr. Clinton. "I think he could be a great one."

The prospect of slightly higher electric bills under Mr. Clinton's energy-tax program does not bother her. Ms. Lapin and Ms. Chorover both said the well-to-do can also afford increased taxes.

But both said they wanted to hear more about health care.

## Taxes vs. Cuts: A Political Numbers Game

By Steven Greenhouse  
New York Times Service

WASHINGTON — Much of the congressional battle about President Bill Clinton's economic package would come down to a duel over math: the ratio of proposed tax increases to proposed spending cuts.

Republican mathematicians attack the president's plan as a tax-and-spend scheme, asserting that it includes \$1.75 to \$18 in tax increases for every dollar in spending cuts. Mr. Clinton's calculators respond that it is a prudent, balanced plan, with one dollar in revenue tax increases for each dollar in spending cuts.

Which side is right?

The answer, in the never-never land of American politics, is that both are, depending on how one cuts the deck, what time period is used and how one defines what is a spending cut and what is a tax increase.

Although both sides' arguments include some haze and fudge, a few things are clear. In proposing to cut the 1997 budget deficit by \$140 billion, the Clinton administration has fallen short of its goal of cutting two dollars in spending for every dollar in tax increases. As for the Republicans, while they insist that more spending cuts are in order, they have yet to supply the details.

Leon E. Panetta, the White House budget

director, says the administration has proposed \$246 billion in revenue increases and \$247 billion in spending cuts from the fiscal years 1994 to 1997. That, of course, produces a 1-to-1 ratio.

Not so fast, the Republicans say. Those are gross numbers, calculated before the administration includes its \$169 billion "investment" plan, which aims to improve education and job training and highways and other public works. Administration officials say this \$169 billion should not be looked at as just another type of spending that will be frittered away; they say it is investment in building a more productive economy.

The plan includes \$109 billion in increased spending from 1994 to 1997, and \$60 billion in tax increases — reduced taxes for corporations to encourage them to expand and invest. Once those numbers are factored in, there are \$138 billion in net spending cuts and \$186 billion in net tax increases. That produces a ratio one dollar in spending cuts for each \$1.35 in tax increases.

"That is 76 cents in cuts for every \$1 in taxes, and I don't know how that's going to help the American economy," said Senator Pete V. Domenici, Republican of New Mexico. But some Republicans say the picture is far worse. They assert that the administration is pulling another fast one by counting its proposal to tax 85

percent of Social Security benefits, up from 50 percent currently, as a spending cut rather than a tax increase.

The administration counters that the Social Security change, which would save \$21 billion over four years, should be counted as a benefit or spending cut because the government is merely taking away with one hand some of what it gave with the other. A decade ago President Ronald Reagan called his decision to tax Social Security benefits a benefit cutback, the Democrats note, and the Republicans did not quarrel with that classification.

Regardless of who is right, if this \$21 billion is counted as a tax increase, as the Republicans contend, then the administration is proposing \$207 in net revenue increases and \$117 billion in net spending cuts. That produces a ratio of one dollar in spending cuts for each \$1.77 in revenue increases.

Defending the administration, Mr. Panetta argues that it is fairer either to look at the whole package over four years or to look at it when all the spending cuts and tax increases are phased in. That means 1997. Counting Social Security changes as a spending cut, he notes that for fiscal year 1997 the plan calls for \$112 billion in spending cuts and \$83 billion in revenue increases. That translates into 74 cents in tax increases for every dollar in spending cuts.

## Universal Care? Health Advisers Have Big Doubts

By Dana Priest  
Washington Post Service

WASHINGTON — President Bill Clinton's advisers have told him that it is virtually impossible to provide health care to all Americans anytime soon if he wants to finance such a move by using savings from overhauling the system, as he promised in his campaign.

Mr. Clinton could either delay universal coverage until 1997, after his term ends, or begin to provide it now and count on an increase in government spending of up to \$175 billion over the next four years.

Even if new health plan is passed at the end of 1993, the plan "will generate savings no sooner than 1997," according to a confidential 83-page report by the administration's health transition team. "Even limited expansions in coverage before 1997 would require new revenue."

Mr. Clinton said repeatedly during the campaign that his plan, which relies on a combination of government regulation and competition, could finance universal health care with the savings generated by comprehensive health care overhaul.

His transition team, however, told him at a meeting last month that it would cost \$175 billion over the next four years to insure the 37 million unprotected Americans as the overhaul takes place.

To avoid the additional cost, he could wait to provide universal coverage until 1997, when the changes are producing significant savings.

Another option, they said, is to use a combination of new government spending — about \$105 billion over four years — and price controls to begin to cover the uninsured immediately, with everyone having coverage by 1997.

Under this scenario, Mr. Clinton would have to get authority from Congress to "declare a national emergency and bring to across-the-board price controls" on private health care prices, the report states.

The document was prepared by 16 members of the health transition team and presented to Mr. Clinton at a meeting in Little Rock, Arkansas, in mid-January.

Since then, the major authors of the report — Judith Feder, Atul Gawande and Kenneth Thorpe — have moved into top positions at the Department of Health and Human Services to work on the health care overhaul proposal that Mr. Clinton plans to present to Congress in May.

Just how much savings could be generated to the short run from the health proposal was the source of considerable disagreement among Mr. Clinton's advisers during the campaign and has continued to be contentious.

Some top advisers — notably a senior White House adviser, Ira Magaziner — were reportedly disappointed at the costs outlined in the report.

But a subsequent memorandum from Mr. Magaziner to members of the President's Task Force on National Health Care Reform showed that the team's original cost calculations have been generally accepted as a starting point for drafting legislation.

In that memorandum, dated Jan. 29, Mr. Magaziner stated: "Definitive, on definitions and program structure, universal access

could mean \$30 billion or \$90 billion of additional annual expenditure by the government by 1997."

Advisers pointed out that as a candidate, Mr. Clinton purposefully never specified when he believed that universal access could be achieved.

They point out that Mr. Clinton, who was comfortable and articulate in discussing health policy, offered far more details about his proposal than is normal during a campaign.

"They just said they would pay for it through savings, they didn't

say how," said one adviser. "That's fine, that's what it is."

Health care reform was a cornerstone of the Clinton campaign. He argued then, and still does, that revitalizing the national economy cannot be achieved unless some of the \$930 billion spent in the United States each year on health care can be redirected into more productive uses.

Cost control is also crucial to harnessing the federal deficit, Mr. Clinton has said. Federal spending on health care, principally Medicare and Medicaid, is expected to account for 50 percent of the increase in the federal deficit over the next four years.

But although he has indicated his strong desire to control health costs, covering the uninsured will be expensive.

Most of the options laid out by Mr. Clinton's advisers recommend phasing in a mandate that employers provide their workers with coverage.

Such a mandate will take care of some of the uninsured — those with jobs — but the government will have to cover the rest.

"It doesn't matter who you do to the health care system," said John F. Sheils, vice president of Lewin-VHL, a management consultant firm specializing in health care. "You'll never get the cost of insurance low enough so that you don't have to subsidize some people."

The Clinton transition team was explicit about the expense to its report.

To provide universal coverage would require the government to increase its Medicaid payments by \$16 billion over four years and spend \$84 billion more to subsidize the working poor — individuals and families with incomes at or no more than twice the poverty line.

To lighten the burden on the smallest firms that employ low-wage workers, Mr. Clinton promised to provide tax credits and other subsidies, which the team calculated would add \$26 billion more in expenses. It would cost an additional \$30 billion to keep Mr. Clinton's campaign pledge to include prescription drugs in a basic benefit package and another \$21 billion for other government subsidies.

## Jean Lecanuet, a Pioneer in French Politics, Dies

Compiled by Our Staff From Dispatches

PARIS — Jean Lecanuet, 72, a senator, longtime mayor of Rouen and a founder of France's important centrist political force, died of cancer Monday, his aides said.

Mr. Lecanuet, who died at his home in Neuilly-sur-Seine, a Paris suburb, served as justice minister in the government of Prime Minister Jacques Chirac in 1974, then as minister for territorial management in the succeeding government of Raymond Barre.

He also served for years as a senator or deputy in the National Assembly.

The mayor of Rouen, in Normandy, since 1968, he also held numerous regional posts.

He was a senator at his death and had been re-elected in October as the president of the Foreign Affairs and Defense Commission of the French Senate.

But his most lasting political contribution was his work to create a centrist force between the right and left, a "third force" that he correctly predicted 25 years ago would play a major role in French political life.

When barely known, Mr. Lecanuet presented himself as the "candidate of the center, a social democrat and European" in the presidential election in 1965.

Mr. Lecanuet, who was called the "French Kennedy" for his per-

sonal style of campaigning and his dazzling smile, attracted 15.8 percent of the vote in the first round of that election.

Though this placed him only third among six candidates, it forced de Gaulle, the founder of the Fifth Republic, into a runoff with Francois Mitterrand, the Socialist candidate, and helped establish centism in French politics.

Mr. Lecanuet headed successive centrist movements starting in 1963, when he presided over the Popular Republican Movement.

He headed the Center for Social Democrats from 1976 to 1982 and the Union for French Democracy from 1978 to 1988.

Mr. Lecanuet was a vigorous supporter of the Treaty on European Union and campaigned for ratification of the treaty by France in a referendum in September.

Mr. Lecanuet, who had a doctorate in philosophy, was a member of the Roman Catholic resistance during World War II and was arrested by the Germans in 1944. (AP, AFP)

Joshua Cox, 12, a handicapped boy who attended inauguration ceremonies last month in Washington at the invitation of Vice President Al Gore's wife, Tipper, as one of 50 "Faces of Hope," died Saturday from complications of pneumonia in Akron, Ohio.

Harvey Kertzman, 68, a cartoonist and historian of pop culture who helped found *Mad* magazine and was a guiding force at several other satirical publications, died Sunday from complications of liver cancer at his home in Mount Vernon, New York.

## The key to know-how.



This 19th century masterpiece by the Prussian court silversmith combines gold and silver inlay in an iron key. This outstanding display of craftsmanship won him the title of master silversmith.

Interest rates in most parts of the world are still high. But, with your substantial assets, you have to think ahead and hedge your investments against erosion. At Swiss Bank Corporation, we have the know-how needed to assist private investors. And over a century of experience too. We can offer you modern risk management tools and tailor-made solutions such as customized investment return profiles and controllable liability exposure. Our products are backed up by first-rate market and financial analysis, a worldwide network of business contacts and outstanding financial strength. Let the Swiss banking know-how of the key Swiss bank work for your security. Call us. We know how to listen. In Basel: 41 61 288 6060, Frankfurt: 49 69 71 401 700, Geneva: 41 22 376 6725, Jersey/Channel Islands: 44 534 36341, London: 44 71 711 4855, Luxembourg: 352 45 20 30 222, Zurich: 41 223 2221 and in more than 50 other major cities around the world.



The key Swiss bank

**TO OUR READERS IN FRANCE**

It's never been easier to subscribe and save with our new toll free service. Just call us today at 05-437 437

Where to find the World's Finest Hotels.

The Oriental, Bangkok  
Mandarin Oriental, Hong Kong  
Mandarin Oriental, Jakarta  
Mandarin Oriental, Macau  
Mandarin Oriental, Manila  
Mandarin Oriental, San Francisco  
The Oriental, Singapore  
Hotel Bela Vista, Macau

MANDARIN ORIENTAL THE HOTEL GROUP

Toll free: UK 0345 581442, France 05 03 1054, Germany 0130 858 508, Spain 91 5329 307  
The Leading Hotels of the World, Utell International, or your travel professional.



# Vietnam and ASEAN Move to Strengthen Ties

By Michael Richardson  
International Herald Tribune

**BANGKOK** — In an effort to end residual Cold War divisions in Southeast Asia, senior officials of Vietnam and neighboring non-Communist countries endorsed a plan on Monday that would enable Hanoi to join the Association of South East Asian Nations, possibly within the next few years.

The proposal, drawn up by a group of experts from both sides, also recommends steps that would enable Vietnam to join a planned ASEAN free-trade area. The plan could eventually create a giant market of more than 400 million consumers in a region that has one of the fastest rates of economic growth in the world.

Analysts said that the main recommendations of the plan were likely to be adopted by ASEAN ministers.

In issuing their 97-page report, however, the experts cautioned against any attempt to seek the kind of close-knit economic and political union that has become increasingly controversial in Europe.

They said that because Southeast Asia is such a diverse region, it must "strive to be not a supranational community as envisaged by proponents of the European Community's Maastricht treaty, but a community of different nations and different peoples with their own identities" and policies.

Chan Lekpai, the prime minister of Thailand; Anwar Ibrahim, the Malaysian finance minister; Prasoong Soonsiri, the Thai foreign minister; and Brigadier-General Jose T. Almonte, the national security adviser to the Philippine president, attended the launching of the report on Monday.

All four said that they supported closer links between ASEAN and Vietnam.

Until Vietnamese forces were withdrawn from Cambodia in 1989, ASEAN countries — Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand — were strong critics of Hanoi.

But Nguyen Khanh, Vietnam's deputy prime minister, said that with the end of the

Cold War the policy of confrontation had become obsolete.

The main task today, he said, "should be to strive for an economically strong and politically stable Southeast Asia and to successfully solve common problems of the region as a whole."

In July, Vietnam and Laos signed a treaty of friendship with ASEAN and gained observer status at its annual ministerial meetings.

Civil war in Cambodia and political repression by the military junta in Burma, however, have prevented ASEAN from developing closer ties with the remaining two countries in Southeast Asia.

Vietnam has indicated that while it seeks to join ASEAN, it will not accept an end to Communist rule as the price for membership.

Officials of some ASEAN countries have in the past expressed concern that Vietnam's early entry into ASEAN will weaken cohesion of the group and slow its progress toward economic integration.

Apparently taking account of these concerns, the Vietnamese and ASEAN experts said that new links should be forged between ASEAN, its planned free trade area and Vietnam.

These would include the holding of annual ASEAN-Vietnam ministerial meetings, regular exchanges of high-level military delegations, and ASEAN assistance to Vietnam in extending free-market economic changes.

Mr. Chan, the Thai prime minister, said that if Southeast Asia was to build durable cooperation, present and potential conflicts, such as those in Cambodia and over disputed islands in the South China Sea, must be resolved by peaceful means.

He added that while democracy must not be imposed from outside and the pace of progress would vary from country to country, "a government that responds to the needs, addresses the plight and protects the common interests of the public has a better chance" of sustaining popular support.



**CHECKUP** — President Mobutu Sese Seko of Zaire leaving his dentist's office in Monaco on Monday. Marshal Mobutu was staying at his residence on the French Riviera, taking a break from a raging dispute with his country's parliament and its prime minister, Etienne Tshisekedi.

# North Korea, Blaming U.S., Rebuffs Inspectors

**TOKYO** — North Korea took a hard line on Monday in its dispute with the International Atomic Energy Agency over nuclear inspections.

A Pyongyang government report accused "some people of the IAEA secretariat" of bowing to U.S. pressure by demanding that its inspec-

tors be given access to two North Korean military sites unconnected to its nuclear program.

The report was issued just before the United Nations agency's 35-member board of governors met in Vienna, with North Korea's refusal to allow inspectors to visit two nuclear sites at the top of the agenda.

At the same time, the official North Korean daily Rodong Sinmun issued a warning that the North would refuse the inspectors entry, even at the price of confrontation with the world community.

North Korea, which denies U.S. and South Korean assertions that it is secretly developing nuclear weapons, agreed last year to allow international inspection of what it called civilian nuclear plants.

Now, it complains, the agency has unilaterally added two more sites to the agreed list of plants. The North insists it will not comply.

In Vienna, the agency's secretary-general, Hans Blix, briefed delegations and the talks were expected to result in a special request to visit the sites, a spokesman said.

The installations suspected by the West of being centers for developing nuclear weapons are in Yongbyon. The North Korean government report said that "the two sites referred to by the agency side are military facilities which have nothing to do with nuclear activities and, accordingly, we are not

obliged to show them to the agency."

The agency says it is simply trying to complete an inventory of North Korea's nuclear material and cannot complete its job if its inspectors, who have already visited the country six times, cannot go to Yongbyon.

Analysts here said Pyongyang's defiance might be brinkmanship, and that the leadership might back down after mid-April, when U.S. and South Korean troops end an annual joint military exercise on the peninsula.

"If North Korea continued to refuse for long, then it could face 'challenge inspections' by the IAEA or sanctions by the UN Security Council," said Masao Okonaga of Keio University. "North Korea is entering an impasse. No one, not even old allies China and Rus-

sia, wants to deal with it in such an adamant mood."

**Kim Picks 2 Key Aides**

President-elect Kim Young Sam on Monday named the economist Hwang In Sung, 67, the governing party's chief policymaker, as prime minister in what was seen as an effort to revive South Korea's troubled economy. The Associated Press reported from Seoul.

He picked a Supreme Court justice, Lee Hoi Chang, 58, to head the government's main audit body, the Office of Audit and Inspection, in an apparent display of his resolve to clean up bureaucratic corruption.

Mr. Kim will be inaugurated on Thursday. If Mr. Hwang is confirmed that day by the National Assembly, Mr. Kim plans to form his cabinet on Friday.

# 7 Killed as Militias Clash in Somali Port

**MOGADISHU, Somalia** — At least 7 people were killed and 21 wounded Monday in five hours of fighting between Somali militias in the southern port of Kismayo, the U.S. military command said.

A U.S. military spokesman, Colonel Fred Peck, said the multinational force led by the United States had imposed an overnight curfew in the city.

"Fighting is now over," he said. He added that it was "definitely a setback for peace in the region."

Colonel Peck said the fighting

had broken out between supporters of Colonel Omar Jess, who controls Kismayo, and about 150 people loyal to General Mohammed Said Hersi.

Colonel Peck said the fighting had set back plans to hold a ceremony Tuesday to transfer command of the city to 650 Belgian troops from about 1,000 U.S. troops.

The U.S. military wants to transfer control of the 22-nation force to the United Nations in the next few weeks and bring most of the U.S. soldiers home.

Colonel Peck said that despite the fighting, U.S. troops would go ahead with plans to pull out. The fighting might hold them up by a day or two, he said.

In another development, gunmen killed an Irish nurse on a roadside ambush near Mogadishu. Valerie Place, 23, a nurse for the Irish relief agency Concern, was shot and killed in an attack on her vehicle outside Afgol, about 50 kilometers north of Mogadishu, Colonel Peck said.

Officials at the Coocern residence in Mogadishu said Miss Place was finishing her assignment, in the capital and was to leave by gun work Tuesday in Baldo, to the northwest.

**White House Presses UN**

Vice President Al Gore says the Clinton administration is urging the United Nations to "move more quickly" to take over peacekeeping operations in Somalia so most U.S. troops can come home. The Associ-

**It's easy to subscribe in Vienna just call: 940611.210**

**INTERNATIONAL CLASSIFIED**

**ANNOUNCEMENTS**

**THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE**

Now printed by satellite transmission in New York the International Herald Tribune is now shipped for day-of-publication delivery to your home or office in most areas of the following cities:

Atlanta, Boston, Chicago, Denver, Detroit, Houston, Los Angeles, Miami, New York, Philadelphia, San Francisco and Washington D.C.

For speedy mail delivery, subscription copies are now shipped directly to Jacksonville, Phoenix and Seattle.

**In the U.S.A., call TOLL FREE 1-800-882-2884**

**In New York, call (212) 752-3890**

or write to: **Herald Tribune, 659 Third Avenue, New York, N.Y. 10022, Tel: (212) 752-3890**

**HERALD TRIBUNE**

**MOVING**

**AGS INTL MOVING**

**A.G.S. LONDON (4421) 941 7595**  
**A.G.S. PARIS (331) 40 20 20 40**  
**A.G.S. BRUSSELS (322) 429 20 40**  
**A.G.S. BRAGUE (331) 40 20 40**  
**A.G.S. VALENTIG (4922) 562 505**

**ADMINISTRATIVE/SECRETARIAL POSITIONS**

**OECD TEMPORARY SECRETARIAL POSITIONS IN INTERNATIONAL ORGANISATION**

Gross salary for full-time work FF 10,500 to 12,600 per month. Half-time positions also available. English or French mother tongue, and a knowledge of the other language essential. High-speed accurate typing 150 words per minute on a word-processor and experience with word processing systems required.

Applications from nationals of OECD member countries (Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States) with curriculum vitae to:

**Human Resource Management Division, OECD**  
**2, rue André-Pascal**  
**75775 PARIS CEDEX 16**  
**marked "SEC 93"**

Only short-listed candidates will receive a response.

**POSITIONS AVAILABLE**

**AMERICAN BANK & Stockbroking** seeks for its Paris office, a young **TRAINING SECRETARY** (English-French-German fluency), previous experience & working papers necessary. Position easily transferable. Please write c/o Box 3130, IHT, 92221 Neuilly Cedex, France.

**MINERVE** seeks for **AMERICAN FIRMS IN PARIS** English mother tongue, previous experience of French required. **422, rue Saint-Hippolyte** 75008 Paris, France. Tel: (1) 42 61 76 78

**POSITIONS AVAILABLE**

**WE ARE LOOKING FOR A GREAT** English mother tongue secretary with typing, reports, who is available from time to time. Need accurate secretarial skills. Computer skills & ability to use your local telephone. Weekends commuted. Good pay & lots of challenges. Box 3130, IHT, 92221 Neuilly Cedex, France

**ENGLISH LANGUAGE TYPIST** for contract report using WORD 5.0 or WORDSTAR 200 on PC. Short term contract. Place of work St Omer (near Paris). Candidates should apply by writing with letter, CV (marked confidentially etc) and photo to: E.G. 20 Bd Victor Hugo, 92115 CLICHY.

**FRANCE TEAM CO. SEES BURGUNDIAN** Secretary/Assistant, preferably with file experience, for 2 month contract minimum. Tel: (1) 45 45 18 13.

**PARIS & SUBURBS**

**NEURILY - MID BUREAU** furnished apartment, refined decoration, 2 bedrooms, lovely living, both shower, color & parking, 13,500,000. Possible to rent furnished 750,000 with 7280,000 guarantee. Tel: 1-46-40-1472

**PARIS - RESIDENTIAL AREA** High class building, top floor, beautiful, organized & sunny, light, bright. 4 bedrooms, 75,000,000. Tel: 01-47-22-25-49

**CHAMPS ELYSEES** - Large high class studio, luminous, very sunny. Tel: 1-42-77-19 evenings from 7pm

**REAL ESTATE FOR SALE**

**SWITZERLAND**

**LOVELY APARTMENTS** Montreux, Geneva, Villars, Crans. Prices begin at \$220,000. Beautiful villas/apartments in France very near Geneva. **SAVA Financial Services S.A.** c/o Box 18, CH-1001 Leysin, Switzerland. Fax: 41 21 20 23 70

**REAL ESTATE TO RENT/SHARE**

**HOLLAND**

**\*\*\*\* ORG APARTMENTS \*\*\*\*** Long & Short Term Leases for (young) couples, 2 or 3 bedrooms, 3 months and more. **020071. Fax: +31 20 638475. Kazengraat 33, 1015 CD Amsterdam**

**PARIS AREA FURNISHED**

**AGENCE CHAMPS ELYSEES** specialises in furnished apartments, residential houses, 3 months and more. **Tel: (1) 42 25 32 25** Fax: (1) 42 43 27 07

**AT HOME IN PARIS**

**PARIS PRONO** apartments to rent furnished or not. **Solia & Property Management Services** 25 Ave Hoche 75008 Paris, Fax: 1 46 14 10 00 **Tel: (1) 45 63 25 60**

**74 CHAMPS ELYSEES**

**LE CLARIDGE** FOR 1 WEEK OR MORE high class studio, 2 or 3 bedrooms, Paris, France. **06 47 20 32 32. BENEVOLENTS** Tel: (1) 44 13 23 32

Finding Hotel CONCORDE LAFAYETTE Luxurious 3 rooms, 1000sqm. No agency fee 12,500. Lease 1 month or more. **95, Bd. Haussmann, 75008 17th. Tel: (1) 43 57 66 72**

**"HOME FOR DISCUSSIVES"** DE CIRCULAR DISCUSSIVES **\*\*\* VAT RESIDENTIAL \*\*\*** Selected and verified apartments only. Wide selection - From Studio to Penthouse. Tel: (01) 44 43 88 11. Fax: (01) 44 43 88 10.

**RENTING FURNISHED APARTMENTS** in 17th century building near EEL in 2 years. Tel: 1-42-20-31 Fax: 02-52-222

**PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months.

**LEFT BANK APARTMENTS**, monthly rates. No agency fee. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months. **PARIS BENEVOLE** Short term with services & furnished, 3 nights to 2 months.

**RYE GAUCHO, 4th, ST GERMAIN** Studio 2 rooms, 60 sqm, all conveniences, 14th arr. 27,000. Tel: 01 42 20 32 32. **BEST APARTS** Studio from 18,000 to other offers 220,000 & others. **AVA 1-42-20-31**, Fax: 1-42-20-31

**LUXURIOUS bedroom** & double living fully equipped, 19th floor, 67th Street. **FR-9001** + charge. Owner 1-4350505

**REAL ESTATE TO RENT/SHARE**

**PARIS AREA FURNISHED**

**(tel) COCEN** Lovely 2 rooms, 5th floor, no 14, elegant, furnished, fireplace. **ES-1000. LAMY Led 23 23 14**

**RU DE BAG** 2/3 rooms, sunny, view, calm, all included. **March 1st - June 1st. 15h-21h. Tel: 1-42-20-31**

**VAISNES**, very lovely 3-room flat, great high ceiling, refined decoration. **FR-1000. Tel: (1) 43 55 78 46**

**PARIS AREA UNFURNISHED**

**Embassy Service YOUR REAL ESTATE AGENT IN PARIS** 8 Ave. de Messines, 75008 Paris. Tel: (1) 45.62.30.00

**AGENCE DES CHAMPS ELYSEES** Tel: 1-42-25-32-25 offering to you: **74e**, View on Avenue Beaugrenesse, beautiful reception, 3 months and more. **3 bedrooms, 2 baths + studio. 74e Ave. Solférino, Paris, 75008. Tel: (1) 42 25 32 25**

**ETANG LA VILLE**, new villa, 220 sqm, superb garden, 1000sqm, furnished, ready with "SNCF". Possibly used for rental. **95,000. Claude Pontard, Tel: 1-42-20-31. 15h-21h. 41 Ave. Solférino, Paris, 75008. Tel: (1) 42 25 32 25**

**RD. MONCEAU VILLES**, beautiful chef's atelier, duplex, 4th-5th floor, 100sqm, new kitchen, 199,000. **15h-21h. Tel: 1-42-20-31**

**BOULE** in private mansion, 3rd floor, elegant newly refurbed, 75 sqm, large shower, 1 bathroom, 1 bedroom, 1 kitchen, both. **FR-1000. 1-42-20-31**

**74e, AVE KUBLER**, long 3 bedrooms, kitchen, shower, fireplace, 199,000. **FR-1000. Tel: (1) 42 25 32 25**

**6th RUE DES BAUX ARTS** 30 sqm, rooms, 1 bathroom, 1 kitchen, both. **FR-1000. Tel: (1) 42 25 32 25**

**7th RUE DE SEVRES**, newly refurbed 2 rooms, 45sqm, 199,000. **FR-1000. Tel: (1) 42 25 32 25**

**EMPLOYMENT**

**GENERAL POSITIONS WANTED**

A N.E. SEES free-lance translators to cover the needs of its expansion. English mother tongue, individual, medical & pharmaceutical fields necessary. Send your CV to: **A.W.S., 107 Bd Haussmann, 75008 Paris.**

**LEGAL SERVICES**

**DIVORCE IN 1 DAY**, No travel, Wife 50% & child custody. **FR-1000. Tel: 1-42-20-31**

**LOW COST FLIGHTS**

**DAILY FLIGHTS AT LOWEST PRICES** to 40 major North American Int'l airports. **Tel: 01 Paris (33-1) 47 33 13 13.**

**BOOKS**

**ENCYCLOPEDIA BRITANNICA**, 15th YEARS & POCKET EDITIONS, **FR-1000. Tel: (33) 1-42 42 25 25.**

**WINES & SPIRITS**

**BOURGEOIS WINES BEST NAMES**, YEARS & POCKET EDITIONS, **FR-1000. Tel: (33) 1-42 42 25 25.**

**Inside Pages:**

- Blazing Directories - Tuesday
- Business Messages - Monday and Tuesday
- Dining Out - Automobile Market, Wednesday
- International Recruitment - Thursday
- Real Estate Marketplace - Wednesday & Thursday
- Arts & Antiques - Artisan Skills - Thursday, Saturday

# Beijing Sets the Stage to Jettison Its President

**BEIJING** — President Yang Shangkun of China apparently will be replaced when the National People's Congress, or parliament, meets next month, a Beijing-controlled Hong Kong newspaper said Monday.

Mr. Yang's name was not on the list of delegates to the annual session, which opens here March 15, the Hong Kong daily Ta Kung Pao said.

Also dropped was the current congress chairman, Wan Li.

"Observers believe they will not accept nomination to these leading positions," according to the newspaper, which is often used by Beijing to leak information to readers outside China.

The 2,977 delegates, elected from local people's congresses, will vote for top state posts at the session.

The decision to drop Mr. Yang, 85, had been widely expected.

Western diplomats say they believe that the man most likely to replace him is the party's general secretary, Jiang Zemin, who will serve in both positions concurrently.

Mr. Jiang has been named by the 88-year-old senior leader, Deng Xiaoping, as the "core" of the political succession. Elevating him to the largely ceremonial position of president would give him an international role he does not have at present.

Mr. Yang's five-year term ends this year, and diplomats say he is being replaced mainly because of his advanced age.

Some speculated, however, that Mr. Deng would find his departure convenient for political reasons.

"It's part of the sidelining of Yang," an envoy said. "He's still pretty sprightly, but the

job is for five years, so it's a good time to get rid of him now."

Mr. Yang's half-brother, Yang Baibing, was abruptly dropped from his top military posts during the Communist Party's 14th Congress in October.

It is widely believed that Mr. Deng was afraid he was building a personal support base in the army and preparing to seek supreme power.

**Security Law Passed**

Parliament on Monday passed China's first national security law, which authorizes the suppression of any threat to the Communist Party or to economic policy. **Agence France-Press** reported, quoting state television.

Observers said the passage of the legislation also indicated that the authorities wanted to bring their vast KGB-style security network under legal supervision.

Mr. Yang's half-brother, Yang Baibing, was abruptly dropped from his top military posts during the Communist Party's 14th Congress in October.

It is widely believed that Mr. Deng was afraid he was building a personal support base in the army and preparing to seek supreme power.

**Security Law Passed**

Parliament on Monday passed China's first national security law, which authorizes the suppression of any threat to the Communist Party or to economic policy. **Agence France-Press** reported, quoting state television.

Observers said the passage of the legislation also indicated that the authorities wanted to bring their vast KGB-style security network under legal supervision.



# International understanding

**Newsweek gives you more coverage of world affairs than any other international newsmagazine.**

# Newsweek

THE INTERNATIONAL NEWSMAGAZINE



# SONY PICTURES ENTERTAINMENT

and our family of Motion Picture Companies wish to extend warmest congratulations to all those who have worked so hard to achieve so much...

## 30 ACADEMY AWARD NOMINATIONS

**BEST PICTURE**  
*HOWARDS END*

**BEST PICTURE**  
A FEW GOOD MEN

**BEST FOREIGN LANGUAGE FILM**  
INDOCHINE

**TRISTAR PICTURES**

### CHAPLIN

**BEST ACTOR**  
Robert Downey, Jr.

**BEST ART DIRECTION**  
Stuart Craig PRODUCTION DESIGNER  
Chris A. Butler SET DECORATOR

**BEST ORIGINAL SCORE**  
John Barry

### HUSBANDS AND WIVES

**BEST SUPPORTING ACTRESS**  
Judy Davis

**BEST SCREENPLAY**  
Written by Woody Allen

### BASIC INSTINCT

**BEST FILM EDITING**  
Frank J. Urioste A.C.E.

**BEST ORIGINAL SCORE**  
Jerry Goldsmith

**COLUMBIA PICTURES**

### A FEW GOOD MEN

A CASTLE ROCK FILM

**BEST PICTURE**  
PRODUCED BY David Brown,  
Rob Reiner, Andrew Scheinman  
**BEST SUPPORTING ACTOR**  
Jack Nicholson

**BEST FILM EDITING**  
Robert Leighton

**BEST SOUND**  
Bob Eber  
Kevin O'Connell, Rick Kline

### A RIVER RUNS THROUGH IT

**BEST SCREENPLAY**  
Based on material previously produced or published  
Richard Braithwaite

**BEST CINEMATOGRAPHY**  
Philippe Rousselot A.C.E.

**BEST ORIGINAL SCORE**  
Mark Isham

### Dracula

**BEST COSTUME DESIGN**  
Eiko Ishioka

**BEST ART DIRECTION**  
Thomas Sanders, Garrett Lewis  
PRODUCTION DESIGNER SET DECORATOR

**BEST MAKEUP**  
Greg Cannom, Matthew W. Mungle,  
Michele Bucke

**BEST SOUND EFFECTS EDITING**  
Tom C. McCarthy  
David E. Stone

### MR. SATURDAY NIGHT

A CASTLE ROCK FILM

**BEST SUPPORTING ACTOR**  
David Paymer

**SONY PICTURES CLASSICS**

### HOWARDS END

**BEST PICTURE**  
PRODUCED BY Ismail Merchant

**BEST DIRECTOR**  
James Ivory

**BEST SCREENPLAY**  
Based on material previously produced or published  
Ruth Praver Jhabvala

**BEST ACTRESS**  
Emma Thompson

**BEST SUPPORTING ACTRESS**  
Vanessa Redgrave

**BEST CINEMATOGRAPHY**  
Tony Pierce Roberts

**BEST ORIGINAL SCORE**  
Richard Robbins

**BEST ART DIRECTION**  
Luciana Arrighi PRODUCTION DESIGNER  
Ian Whittaker SET DECORATOR

**BEST COSTUME DESIGN**  
Jenny Beavan, John Bright

### INDOCHINE

**BEST FOREIGN LANGUAGE FILM**

**BEST ACTRESS**  
Catherine Deneuve



SONY PICTURES

© 1993 SONY PICTURES ENTERTAINMENT. ALL RIGHTS RESERVED.

E

INTERNATIONAL Herald Tribune

A Pretty Good Plan

The Clinton economic plan envisions an America that provides "rising living standards for all its citizens."

Under the plan, most new taxes would fall on the rich, who benefited the most from the tax party President Ronald Reagan threw in the 1980s.

Although fair, the specific proposal Mr. Clinton makes for taxing the rich creates a danger. Wealthy families would pay a tax of 40 percent or more on ordinary income but only 28 percent on capital gains income.

Stimulating recovery: Unemployment is higher now than when the recession ended almost two years ago, and the number of unemployed workers who will never regain their old jobs is near record levels.

Cutting the deficit: Mr. Clinton's cuts are substantial and fair. Take 1997, the end of his term, as a point of reference. The deficit would be cut from about \$350 billion to \$200 billion — a fiscally safe target.

Under the plan, most new taxes would fall on the rich, who benefited the most from the tax party President Ronald Reagan threw in the 1980s.

Although fair, the specific proposal Mr. Clinton makes for taxing the rich creates a danger. Wealthy families would pay a tax of 40 percent or more on ordinary income but only 28 percent on capital gains income.

Stimulating recovery: Unemployment is higher now than when the recession ended almost two years ago, and the number of unemployed workers who will never regain their old jobs is near record levels.

Cutting the deficit: Mr. Clinton's cuts are substantial and fair. Take 1997, the end of his term, as a point of reference. The deficit would be cut from about \$350 billion to \$200 billion — a fiscally safe target.

Too Modest a Tax

Taxing energy is a smart idea for America. It encourages conservation, discourages pollution and, not incidentally, raises money for a government that desperately needs it.

The tax is set to raise about \$22 billion a year by 1997, when it is to be fully phased in. That means \$230 a year for the average household.

Fuels would be taxed equally on their energy content, with one important exception. Oil products would be taxed at more than twice the rate of the others.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

After oil prices began to soar to the early 1970s, making the prices of other fuels with them, Americans rapidly learned to use energy much more efficiently.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

Better to Pay for the Weapons' Destruction

By Jim Hoagland

WASHINGTON — Necessary for the capitalists who own a small electronics firm in California or a big tank engine factory in Germany, globalization now offers the policies of a giant arm manufacturing enterprise that recently underwent traumatic restructuring and downsizing: the Russian government.

The Kremlin, like everybody else, is energetically trying to reorganize its foreign markets and military manufacturing base with help from abroad.

When Warren Christopher meets Andrei Kozzyrev to Geneva on Thursday, the secretary of state will bear a high-priority proposal on cooperation to arms sales from the Russian foreign minister. Mr. Kozzyrev will ask the United States to carve out a piece of the Russian and open up Western markets for Russia weapons exports as well.

He will argue that this would help Moscow pursue three policies that serve U.S. interests — if, as expected, he repeats the message outlined by Russian diplomats to recent conversations with U.S. officials.

Gaining access to U.S.-dominated markets in Saudi Arabia and elsewhere would allow Moscow to continue its costly embargoes against former clients Iraq, Libya and other bad actors.

Second, the Russians would promise to use the proceeds from this sales cartel not to prop up but to convert their enormous "military industrial complex" to the manufacturing of civilian consumer goods.

Finally, cooperation with the West would help the Kremlin prevent illegal black market deals, which could include everything "up to and including strategic (nuclear) weapons," Mr. Kozzyrev recently told the Russian parliament.

Look on this as an economic aid, the Russians suggest, that does not cost the American taxpayer. Beneath their words is the ultimate subliminal sales pitch: Help us sell these weapons, or they will come back to haunt you in the hands of rogue nations or the Russian hard-liners who will follow Mr. Yeltsin if democracy in Russia fails.

It is loony because it treats weapons as just another set of consumer goods rather than as

unique, cost-impervious tools of foreign policy and national survival. Down this road, market share would replace ideology and strategic balance as the guiding principle of alliance management.

But one U.S. official who has listened at length to the Russian cartel pitch says the proposal is to the Russian cartel must seriously consider. The one that Washington must seriously consider, and of the reorganization of the world arms bazaar that is under way, gives the idea a strange credibility.

So do the multibillion sales of warplanes to Taiwan and Saudi Arabia that President George Bush suddenly pulled out of his hat during the presidential campaign last autumn. Mr. Bush made no bones about the sales involving jobs first and military strategy a distant second.

The Russians say their attempt to sell arms abroad now is solely about jobs. So do the French, the British and others.

The trend toward paying for or defraying the cost of national production lines by selling arms

abroad on a large scale began 30 years ago. France and the United States pioneered the way. They have been joined by all of Europe and large Third World producers such as Brazil and India, who are pushing weapons on anyone who can pay or promise to pay as a way of saving jobs.

The collapse of the domestic market for ex-Soviet weapons adds to the overcapacity and chaos in the markets.

But forming a giant cartel to push arms on others and force market sharing is a poor way of protecting American or Russian interests. Buying Russian weapons and destroying them, or paying the Russians to do that, is a slightly less absurd option for Washington and should be considered. Congress endorsed this approach on a modest scale last year by appropriating \$800 million to pay for the dismantling of Russian nuclear warheads.

The new Russian sales pitch signals that it is time for the Clinton administration to lead a much larger Western effort to keep dangerous Russian weapons off the world market.

The Washington Post



By MOCHALOV in Moscow (Illustration), C&W Syndicate

She Spied But Wasn't A Traitor

By Shureen Blair Bryson

NEW YORK — At 6:57 P.M. on Feb. 16, 1943, in Berlin's Plötzensee prison, Mildred Harnack-Fish, an American university instructor in American literature, translator and American citizen, was beheaded.

She had been translating Glebe in her cell, and as the hour of her death approached the prison guardlain heard her final words: "And I love Germany so much."

Few lives and legends so typify the vicissitudes of 20th-century history as hers, yet today she is barely known. Born Mildred Fish in 1902 in Milwaukee, of English ancestry, she was

And I have loved Germany so much

nessed the ordeal of the German-Americans who were assimilated during World War I. While attending the University of Wisconsin, she met and married a young German economist, Arvid Harnack.

Mildred Harnack-Fish joined her husband in Germany in 1929 in time to experience the last agonies of the Weimar Republic and Hitler's rise to power in 1933. When they stayed and Mr. Harnack became an official in the Third Reich's Economics Ministry, American friends were baffled that the Harnacks had "gone Nazi."

In truth, at enormous risk, the Harnacks had organized a leftist resistance group composed of more than 130 men and women: soldiers and administrators, intellectuals and workers, Christians and atheists, social democrats and Communists.

Beginning in 1933 the group arranged the escape of dissidents and Jews, disseminated clandestine letters with unreported speeches by Roosevelt and Churchill, and passed economic information gathered by Arvid Harnack, to the U.S. and Soviet Embassies in Berlin.

During Hitler's greatest wartime triumphs, they carried out industrial sabotage, urged foreign slave laborers to revolt, put up anti-Nazi posters, published an illegal newspaper and passed military intelligence to a Soviet Union then tottering under Hitler's assault.

Viewed by the Nazis as part of a Europe-wide Soviet espionage net, those sending monitored messages were called the Red Orchestra, because the group's radio "concerts" were beamed at Moscow.

In 1942, after having rounded up the Brussels underground team, the Germans were able to identify the leaders of the Harnack group. More than 100 Berlin members were seized.

On Dec. 19, 1942, after a secret trial by a military court, Mildred Harnack-Fish was sentenced to six years as a hard labor. Mr. Harnack was hanged. Hitler reviewed Mrs. Harnack-Fish's verdict and ordered her release. That again, she was sentenced to death.

Historians generally dislike lost causes and few are as lost or misunderstood as that of the German Resistance. As the scholar Ricardo Huch said in 1946: "It was not granted to save Germany; it was only granted to them to die."

In moral terms it was relatively simple to be in the Dutch or French Resistance; there was no conflict with patriotism. But for Germans, resistance could be tantamount to treason. Words like "spionage," "treason" and "Red" are not neutral, and until recently the Harnack group was vilified to West Germany. During Germany's division, two literatures were spawned, two traditions of "good" and "bad" resistance.

To the West Germans, the Red Orchestra consisted of spies, traitors to the Fatherland, because they gave military information to the Soviets. To East Germans, the Red Orchestra was heroic because it fought against the fascist regime; it also seemed to strengthen the postwar Communist regime's claim to legitimacy.

Last year, relatives and survivors of the resistance from West and East Germany met for the first time, at a meeting honoring the Red Orchestra. As Cold War passions wane, a healing truth has been pronounced by younger scholars. A deep love of Germany was common to all conspirators, and the real measure of their deeds was moral, not political.

Hitler was the true traitor. Confronting that historical reality is the surest way of confronting neo-Nazi in a newly united Germany.

The writer is preparing a biography of Mildred Harnack-Fish. She contributes this column to The New York Times.

Australia: How Much Free Market, and How Fast?

By Philip Bowring

SYDNEY — At one level the campaign for the Australian election next month is mainly a slanging match between the Labor Party prime minister, Paul Keating, a master of vitriolic rhetoric, and the opposition Liberal Party leader, John Hewson, an economist who has yet to prove his political mettle.

In many ways, their policies are similar. The Liberals espouse a more fundamentalist version of the free market economics that Mr. Keating, as treasurer for most of Labor's 10 years in office, applied to an inward-looking economy.

However, the election is important, not just for Australians, in focusing attention on the state of the nation. Australia has the third largest economy in the Asia-Pacific region after Japan and China. Its condition matters to the outside world, to financial stability and to open trade.

Australia's per capita foreign debt is one of the highest, and its currency among the most heavily traded relative to the size of the economy.

Take your pick of these alternative definitions of Australia: • A nation wracked by high unemployment, bobbled by debt and financial mismanagement, hamstrung by archaic work practices, insularity, over-government and under-investment, and with social attitudes and educational standards that are inappropriate to competition in a dynamic East Asia.

• The country that has undergone more rapid economic adjustment than almost any developed country in the past decade, achieving above-OECD-average growth and below-

average inflation, despite being a principal victim of Europe's protectionist agricultural policy. It is also a country that has maintained a high degree of social and political stability while adjusting the ethnic mix of its immigration program to acknowledge its proximity to Asia.

Both definitions are partly true. The election is about whether the situation is so bad that it warrants the stronger

There is consensus on the need for a more outward-looking, flexible, skill-based economy.

dose of free market reform recommended by Mr. Hewson. Or whether Labor policies are achieving the same goals without social disruption.

Labor is offering continued market-oriented reforms to make the economy more competitive, but on a gradualist basis and with organized labor playing a major role. The opposition, a coalition between the Liberal and National parties, offers radical reform of a rigid labor market, a phasing out of tariffs and a reduction in taxes on income while increasing taxes on expenditure to encourage saving and investment.

Given unemployment of about 11 percent of the work force, the foreign debt mountain and an appalling record of financial mismanagement by

Labor state governments, Labor would be expected to lose a federal election in normal circumstances. But the voters seem nervous about borrowing spurge mainly financed high consumption and over-investment in commercial property.

The foreign debt is often treated rather lightly in Australia because it has, so far, been easily financed. Officials assert that the country, with its rich resources, clearly has the capacity to repay creditors. The overseas debt is mostly owed by the private sector and thus is of no direct official concern. Nonetheless, it will hang over the economy for years.

Australia may be close to being in a debt trap. Exports of goods and services are now in surplus, but interest and dividend payments are keeping the annual current account 12 billion Australian dollars in the red. To service the debt and achieve the 3 percent rate of economic growth needed to start shrinking unemployment will require a huge turnaround in the terms of trade, or a massive shift to resources from consumption to exports. Yet national savings, for years well below the OECD average, have fallen even further.

On the brighter side, inflation has collapsed and is now the lowest among OECD countries. Structural change in the economy is under way and the need for a more outward-looking, flexible, skill-based economy. Nonetheless, the key question in the election is whether the country's state is so parlous as to demand radical change.

Some years ago, Mr. Keating himself warned of the danger of Australia slipping toward "banana republic" status, with massive debts and an ever declining currency. What has been done to reverse the slide?

The statistics are troubling. The most obvious is the foreign debt, which has ballooned to around 150 billion Australian dollars, from 8.5 billion at the end of 1981. It is now around 40 percent of GNP, a level well above that of major Latin American countries.

Although Mr. Hewson promises a complete freeing up of a union-dominated labor market, the process is already taking place as old industries wither and recession takes its toll on centralized wage fixing. Whichever party is to power, the long overdue reform of inefficient ports, railways and other utilities will continue.

However, reform has so far done nothing to raise savings and end the borrowing binge. Mr. Hewson's tax package, which would probably cut consumption and raise profits and household savings, might make a dent. Whatever the government, there is a pressing need for reform to show results before foreign creditors, who have been remarkably indulgent, impose their own market solution. That would be very painful and would perhaps kill the anti-protectionist consensus that now prevails.

Either way, Australia faces a decade of discomfort. International Herald Tribune.

Bangladesh's New Democratic Order

By James Manor

DHAKA, Bangladesh — During municipal elections in Bangladesh five years ago, a colonel representing the military regime ordered a town's chief polling official to declare a candidate who finished third the winner. The official protested that everyone would know this was a sham. The colonel drew his revolver, cocked it and placed the barrel against the man's temple. When the official fainting, an assistant was found to scribble an illegible signature on the fraudulent notice paper.

Times have changed. Recently, wide-open municipal elections were held across this country amid festive

contests for local councils and in three parliamentary by-elections, all of which were won by the opposition Awami League. A few weeks ago, the governing party's candidate was declared the winner in a fourth by-election. The Awami League cried foul, claiming victory. But this dispute has not assumed serious proportions. Major newspapers, which depend on government advertising, lean toward the National Party, but the views of the Awami League's leader, Sheikh Hasina, are also on the front page daily.

By disciplining unruly young supporters, Begum Zia has curtailed the gunglai that long afflicted university campuses. The military is in no mood to resume the complex business of government, at which it has failed so woefully and so often. And if it tried, it would face huge public protests.

It is not enough, however, for the government to be democratic. It must also perform effectively, and on that front serious concerns are emerging. Many ministers, starved of experience by years of autocracy, seem confused and leave policy-making to bureaucrats. Others who are more active come across as profiteers or bunglers. Begum Zia evidently understands this. But a much-rumored cabinet reshuffle never seems to take place.

Like all previous governments in Bangladesh, she set out to discard every vestige of the former regime, abandoning promising institutions along with much that was vile. It abolished elected councils near the local level that had been misused, but that could have been changed to give rural people a voice in state affairs for the first time. The councils are to be replaced by a hopelessly overcentralized system. This pleases members of parliament who want no rivals in their constituencies. But it slams the door on rural folk who had hoped for greater democratic engagement.

The government has compounded

this problem by slashing allocations to the field offices of its development-oriented ministries, which were generously funded by the previous regime. Last year many could scarcely afford to pay their employees. Spending has picked up this year. Nonetheless, officials in the field still complain that there is no money for things like medicine and rural clinics. Delays in disbursing funds to many field offices until halfway through the financial year have had a further crippling effect. This has begun to erode the new government's popularity among villagers, who cast 85 percent of the votes in elections.

Parliament is dominated by moneyed, urban-oriented politicians who do not see the dangers that this poses for the future. They focus on the popular mood in cities, where mass demonstrations brought down the previous government. But the logic of Bangladesh's new democracy requires major concessions to the rural majority.

Most rural voters are desperately poor. Thus, it is in the interest of the new government to become the first in the country's history to get serious about poverty alleviation. But despite much rhetoric, nothing of substance is contemplated. Nor is there much effort at forging partnerships with nongovernmental organizations that do impressive work among the rural poor. Insecure politicians see the remarkable capacity of these organizations to accomplish things with limited resources as a threat rather than as an opportunity to improve their constituents' wretched lot.

If these trends continue, the achievements of Bangladesh's democratic experiment, which are so welcome amid the mayhem elsewhere in the world, could be put at grave risk.

The writer is a professorial fellow of the Institute of Development Studies at the University of Sussex, England, and author of books on South Asian politics. He contributed this column to the International Herald Tribune.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen

LEE W. HUEBNER, Publisher JOHN VINOCUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR Managing Editor • CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • REGINALD DALE, Economic and Financial Editor • RENÉ BONDY, Deputy Publisher • RICHARD H. MORGAN, Associate Publisher • JUANITA CASPARI, International Advertising Director • ROBERT FARRE, Circulation Director, Europe

INTERNATIONAL HERALD TRIBUNE, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. International Herald Tribune, 18 East 57th Street, New York, N.Y. 10022. Tel. (212) 752-3800. Telex 427173. Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Commission Paritaire No. 61337 S.A. au capital de 1,200,000 F. RCS Nanterre B 73021126. All rights reserved. ISSN: 0294-3057 © 1992 International Herald Tribune.

سكرا من الامهل



OPINION

Calling a Tail a Leg: A Tax-Rise Name Game

By William Safire

WASHINGTON — If you call a tail a leg, went the riddle attributed to Lincoln, how many legs has a dog? The answer: four, "because calling a tail a leg doesn't make it a leg."

wasn't honest accounting, but when you are in an impossible bind and it's late at night, you do what you have to do. That's when the Clinton proposal to tax an additional 35 percent of Social Security benefits to those over 65 who continue to work, or who were foolish enough to have saved money for their old age, went through a miraculous name change.

a tax rise, plain and simple, squeezing \$12 billion out of those committing the egotistical sin of earning money, but — behind the blue smoke and mirrors — there it appears, labeled "spending cut."

ple to be paid out of taxes on cigarettes, wine, beer and guns. And if a pistol-packing, butt-puffing Joe Stupack cannot pay that \$90 billion freight all by himself, on comes a national sales tax.



But Mr. Clinton and his team, half starry-eyed and half bleary-eyed, are stumbling into an ideology that is as bad for them as it is for the nation. Does he realize where "Clintonism," as it is developing, is taking him? Price control, paternalism and protectionism lead to inflation, recession and general dismay.

LETTERS TO THE EDITOR

Word Without Social Value

Regarding "Defanging of a Racial Epithet" (Report, Jan. 25) by Michel Marriott: Your article concerns the status of the word "nigger." The word shall never be used by the ethnic Caucasoids in the presence of ethnic Afroids with impunity.

West from countries emerging from communism. Measures are being taken to head this off. However, the Renaissance in Europe after the Dark Ages was due largely to the Byzantine scholars and merchants who fled Constantinople after its fall in 1453.

Mishearing the People, Too

Regarding "Excuse Me, Mr. Clinton, I Must Have Misheard You" (Opinion, Feb. 20-21) by Ronald Reagan: Yes, Mr. Reagan, you have misheard President Bill Clinton — just as you misheard, misread, misunderstood, misinterpreted, misled and misgoverned the American people for eight years.

years to pay off its Olympic debt," the article said. It is not another 15 years, but the already budgeted 15 years. Also, the article said the city had "35,800 billion pesetas in interest payments alone to be met this year." It is 35,800 million pesetas.

Refugees Can Be a Plus

There is a general fear of an influx of refugees and illegal immigrants to the

J. L. CHRYSANTHOPOULOS, Aghion, Greece.

Erring on Barcelona

Regarding "Atlanta Sees '96 Costs Growing to Olympic-Size Proportions" (Sports, Feb. 4): There were two errors of fact in this article. "Barcelona will need another 15

The Right to Do What?

Regarding "Women Rockers: A Long Way, Baby" (Back Page, Feb. 16): What are "reproductive rights"? Is that anything like the right to reproduce? Or perhaps self-reproducing rights?

How the WASP Crust Crumbled

By Abigail Trafford

WASHINGTON — I have a confession: My family has a social disease. I call it the WASP Rot Syndrome. It is characterized by the slow erosion of ambition, energy, trust funds and SAT scores, a downward mobility that affects a whole class that once was accustomed to privilege and responsibility.

justice. The Old WASPs could not, or would not, compete with newcomers who brought the same level of energy, talent and ambition that had once propelled the Founding WASPs.

MEANWHILE

no doubt there are invigorating aspects to this downward slide. But knowing firsthand about WASP Rot is why the defeat of the handsome clubman George Bush did not surprise me. He may defy the WASP Rot label with his impressive résumé, but I recognized the symptoms in his performance.

But the decline of the WASPs is broader than the erosion of capital. It has to do with the erosion of the Code. The Old WASPist began to decompose when the WASP version of noblesse oblige got subtly but fatally twisted into faiblesse oblige.

Despite his efforts not to be that way, he kept gassing on the silver spoon in his mouth. His defeat did not just mark the end of a generation; it also marked the end of the Old WASP hegemony that had dominated the political, economic and social life of the country for centuries.

IN MANY families, the Code's transition from Noblesse to Faiblesse begins when the origins of WASP power and prestige are forgotten and the founder story is mythologized in a way that can paralyze future generations.

After several generations of slippage, many WASPs now spend much of their time twisting in the wind of mediocrity.

Several years ago, at a family funeral, my children and I stayed with a cousin in an old house with endless rooms, linen guest towels and a two-story library filled with turn-of-the-century editions. My daughter turned to me — her faintly hippie moon who went to school on a scholarship — and asked, "Mummmie, what happened?"

In a family memoir that described my great-great grandfather, his son put it this way: "In the 1880s, my father had by some quirk of fortune become president of the 'Big Four' (a railroad company). He fell into this job as a legal representative for some Boston capitalists."

While the myth correctly recognizes the role of luck, it glosses over the bold ambition it took to leave a rocky farm in Maine and strike out on his own. The son also writes: "The second generation did not have the drive of the first, of course."

Set in place is the Faiblesse message that the current generation can never

measure up to previous generations. Even more debilitating is the myth of effortless, of "falling into" success. A gentleman must not seem to try too hard. This quickly becomes: A gentleman must not try too hard. In the marketplace, where abilities are evenly distributed among competitors, trying hard can make the difference.

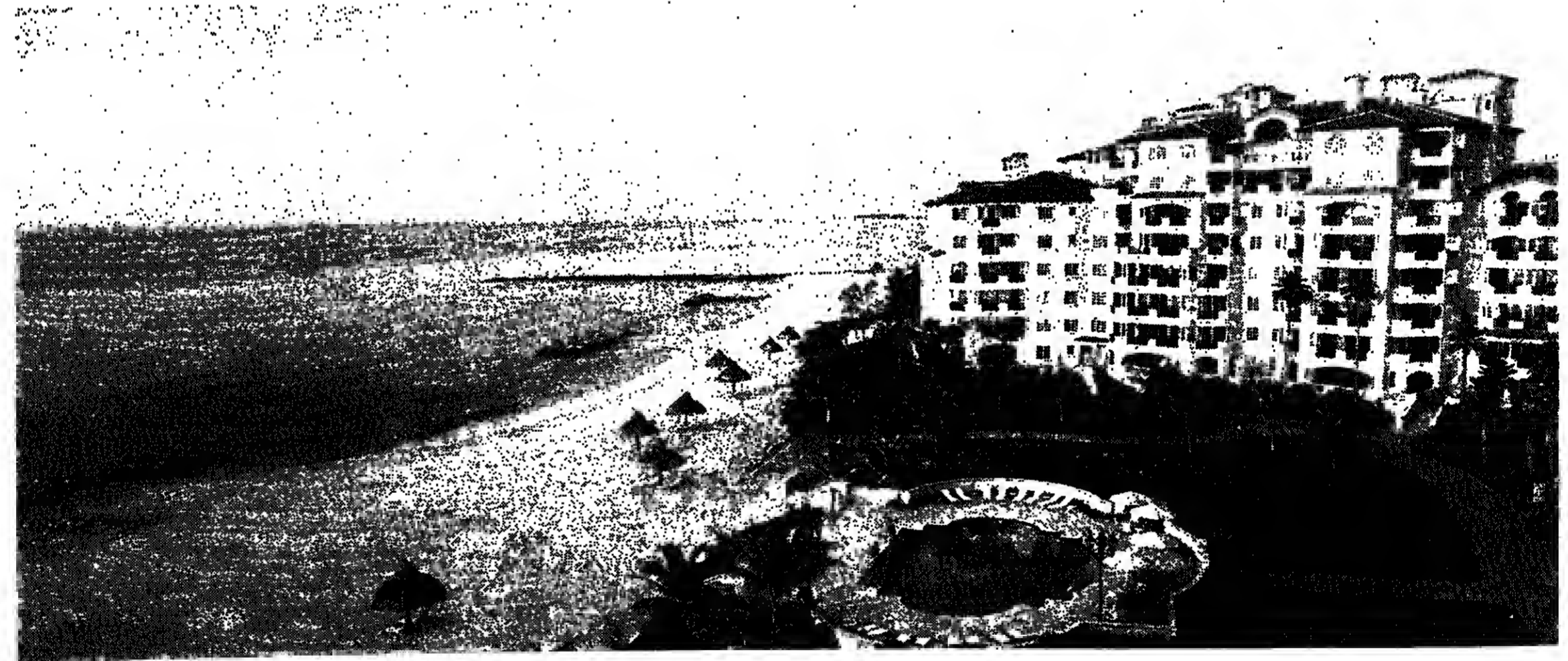
My mother, a promising sculptor and airplane pilot, spent most of her life in mental institutions like the one near Boston where they served meals on Wedgewood china. Mental illness is like a lightning fire in the forest; the devastation is total. It contributes to the decline of many families.

After World War II, WASP women, many now armed with college degrees, put on aprons for about a decade and then decided they would rather be lawyers or bankers or holistic massage therapists. Once the woman revolts, the whole way of life collapses.

All the while, an increasing number of third- and fourth-generation WASPs simply broke the Code that had become corrupt, repressive, sexist and silly. They broke the Code by moving out, marrying out, divorcing out, dropping out and opting out.

They also opted out of what their parents did. Today, curiously enough, some are even starting a business or going into politics — just like the old days. That is why when my daughters ask what happened, I can tell them this: WASP Rot has been good for us. It's a challenge to start over.

The writer, editor of the Health section of The Washington Post, is author of "Crazy Time: Surviving Divorce and Building a New Life." She contributed this comment to The Post.



IN THE WARM TROPICAL WATERS OF MIAMI, THERE IS A COMMUNITY UNLIKE ANY IN THE WORLD.

Once the splendid winter estate of the Vanderbilts, Fisher Island has become one of the world's most celebrated communities. With lovely residences on the ocean and Biscayne Bay, it offers championship golf, tennis on clay, grass and hard courts, an inter-

national spa, two marinas, gourmet and casual dining in seven restaurants, a nearly mile-long Atlantic beach, dinner theater, shops and supreme privacy and security—all just minutes by private ferry from cosmopolitan

Miami. Residences from \$800,000 to \$6,000,000. Excellent mortgage financing available. Fisher Island, Florida 33109 (305) 535-6071 Toll-Free (800) 624-3251 Fax (305) 535-6008.



This project is registered with the New Jersey Real Estate Commission, NJREC 904-711 to 716. Registration does not constitute an endorsement of the merits or value of the project. Obtain and read the New Jersey Public Offering statement before signing anything. This is not an offering in any state where such an offering may not lawfully be made. Equal Housing Opportunity.

# NYSE

Monday's Closing  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High Low Stock Div Yld PE High Low Latest Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE	High	Low	Latest	Chg
100	90	IBM	1.50	4.5	15	100	90	95	+5
120	110	Microsoft	0.50	4.0	20	120	110	115	+5
80	70	Apple	0.20	3.0	25	80	70	75	+5
150	140	Oracle	0.30	3.5	18	150	140	145	+5
180	170	Sun	0.40	3.8	16	180	170	175	+5
200	190	Lucent	0.50	4.0	15	200	190	195	+5
220	210	Motorola	0.60	4.2	14	220	210	215	+5
240	230	Rockwell	0.70	4.4	13	240	230	235	+5
260	250	Boeing	0.80	4.6	12	260	250	255	+5
280	270	Lockheed	0.90	4.8	11	280	270	275	+5
300	290	Northrop	1.00	5.0	10	300	290	295	+5
320	310	Raytheon	1.10	5.2	9	320	310	315	+5
340	330	General Dynamics	1.20	5.4	8	340	330	335	+5
360	350	Grumman	1.30	5.6	7	360	350	355	+5
380	370	Westinghouse	1.40	5.8	6	380	370	375	+5
400	390	Rockwell International	1.50	6.0	5	400	390	395	+5
420	410	Boeing	1.60	6.2	4	420	410	415	+5
440	430	Lockheed	1.70	6.4	3	440	430	435	+5
460	450	Northrop	1.80	6.6	2	460	450	455	+5
480	470	Raytheon	1.90	6.8	1	480	470	475	+5
500	490	General Dynamics	2.00	7.0	0	500	490	495	+5
520	510	Grumman	2.10	7.2	-1	520	510	515	+5
540	530	Westinghouse	2.20	7.4	-2	540	530	535	+5
560	550	Rockwell International	2.30	7.6	-3	560	550	555	+5
580	570	Boeing	2.40	7.8	-4	580	570	575	+5
600	590	Lockheed	2.50	8.0	-5	600	590	595	+5
620	610	Northrop	2.60	8.2	-6	620	610	615	+5
640	630	Raytheon	2.70	8.4	-7	640	630	635	+5
660	650	General Dynamics	2.80	8.6	-8	660	650	655	+5
680	670	Grumman	2.90	8.8	-9	680	670	675	+5
700	690	Westinghouse	3.00	9.0	-10	700	690	695	+5
720	710	Rockwell International	3.10	9.2	-11	720	710	715	+5
740	730	Boeing	3.20	9.4	-12	740	730	735	+5
760	750	Lockheed	3.30	9.6	-13	760	750	755	+5
780	770	Northrop	3.40	9.8	-14	780	770	775	+5
800	790	Raytheon	3.50	10.0	-15	800	790	795	+5
820	810	General Dynamics	3.60	10.2	-16	820	810	815	+5
840	830	Grumman	3.70	10.4	-17	840	830	835	+5
860	850	Westinghouse	3.80	10.6	-18	860	850	855	+5
880	870	Rockwell International	3.90	10.8	-19	880	870	875	+5
900	890	Boeing	4.00	11.0	-20	900	890	895	+5
920	910	Lockheed	4.10	11.2	-21	920	910	915	+5
940	930	Northrop	4.20	11.4	-22	940	930	935	+5
960	950	Raytheon	4.30	11.6	-23	960	950	955	+5
980	970	General Dynamics	4.40	11.8	-24	980	970	975	+5
1000	990	Grumman	4.50	12.0	-25	1000	990	995	+5

## Banks Balk Stockholm Privatizations Stalled by Need for State Aid

Privatizations Stalled by Need for State Aid

STOCKHOLM — By the end of the year, a Swedish government committed to extensive privatization may find itself effectively owning six of the country's leading banks, analysts say. They said Svenska Handelsbanken AB, which reports 1992 results Tuesday, could be left as the only major bank in the private sector, while the government wrestles with a budget deficit inflated by aid to banks and a privatization program stalled by the poor health of the industry.

Deputy Finance Minister Bo Lundgren last week confirmed that the government would keep Skandinaviska Enskilda Banken AB afloat after it announced substantial losses, but he said state ownership was "definitely a last resort" and would not arise unless private resources were exhausted. He said that the government had no objection to foreign ownership of Swedish banks.

Mr. Lundgren reported to parliament that guarantees already made to Nordbanken, Gota Bank and Fortis Sparbanken totaled 67.5 billion kronor. Now in line for aid are SE Banken, Sparbanken Sverige and Foreningsbanken.

Thursday's announcement by SE Banken that it had an operating loss of 5.3 billion kronor (\$696 million) in 1992 raised questions about whether the Swedish government, with a budget deficit heading for 14 percent of GDP, can bail out all the banks that need help.

Analysts said changes in the regulatory environment between 1985 and 1989 helped create the conditions that set off a chain of problems for the banks.

"All the credit restrictions were relaxed during a boom of enormous proportions," one analyst said. "The banks could not lend money quickly enough. They not only lent it directly, they lent it to specialist finance companies, which in turn lent it at extra high rates to property speculators who would not have met conditions for a direct bank loan."

Bo Engstrom, analyst at Midland Montagu, pointed out that three years ago it was not unknown for the finance companies to lend 105 percent of the market value on properties.

From mid-1989 there was a race for market share led by Nordbanken AB, with new finance companies springing up, he said.

Problems first appeared in late 1990 among finance companies that specialized in foreign lending. Often poured more money in, but were overtaken when property prices flattened in early 1991 and began to fall towards the end of the year. As finance companies got in trouble, banks refinanced them, often more than once.

The banks' enormous need for fresh capital has been cited as a reason for the moratorium on privatizations.

Even with government aid the banks will still need to make rights issues, which will tend to squeeze the privatization candidates out of the capital market, analysts said.

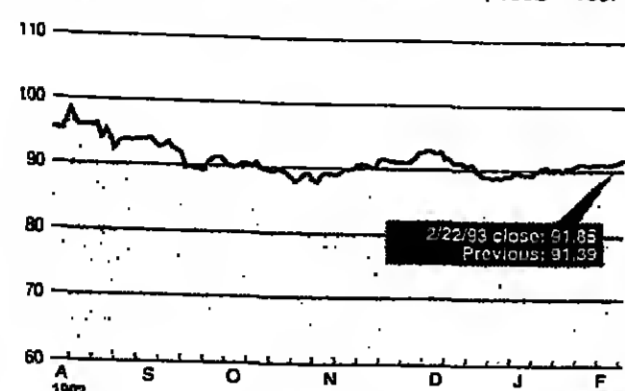
12 Month High	12 Month Low	Stock	Div	Yld	PE	High	Low	Latest	Chg
100	90	IBM	1.50	4.5	15	100	90	95	+5
120	110	Microsoft	0.50	4.0	20	120	110	115	+5
80	70	Apple	0.20	3.0	25	80	70	75	+5
150	140	Oracle	0.30	3.5	18	150	140	145	+5
180	170	Sun	0.40	3.8	16	180	170	175	+5
200	190	Lucent	0.50	4.0	15	200	190	195	+5
220	210	Motorola	0.60	4.2	14	220	210	215	+5
240	230	Rockwell	0.70	4.4	13	240	230	235	+5
260	250	Boeing	0.80	4.6	12	260	250	255	+5
280	270	Lockheed	0.90	4.8	11	280	270	275	+5
300	290	Northrop	1.00	5.0	10	300	290	295	+5
320	310	Raytheon	1.10	5.2	9	320	310	315	+5
340	330	General Dynamics	1.20	5.4	8	340	330	335	+5
360	350	Grumman	1.30	5.6	7	360	350	355	+5
380	370	Westinghouse	1.40	5.8	6	380	370	375	+5
400	390	Rockwell International	1.50	6.0	5	400	390	395	+5
420	410	Boeing	1.60	6.2	4	420	410	415	+5
440	430	Lockheed	1.70	6.4	3	440	430	435	+5
460	450	Northrop	1.80	6.6	2	460	450	455	+5
480	470	Raytheon	1.90	6.8	1	480	470	475	+5
500	490	General Dynamics	2.00	7.0	0	500	490	495	+5
520	510	Grumman	2.10	7.2	-1	520	510	515	+5
540	530	Westinghouse	2.20	7.4	-2	540	530	535	+5
560	550	Rockwell International	2.30	7.6	-3	560	550	555	+5
580	570	Boeing	2.40	7.8	-4	580	570	575	+5
600	590	Lockheed	2.50	8.0	-5	600	590	595	+5
620	610	Northrop	2.60	8.2	-6	620	610	615	+5
640	630	Raytheon	2.70	8.4	-7	640	630	635	+5
660	650	General Dynamics	2.80	8.6	-8	660	650	655	+5
680	670	Grumman	2.90	8.8	-9	680	670	675	+5
700	690	Westinghouse	3.00	9.0	-10	700	690	695	+5
720	710	Rockwell International	3.10	9.2	-11	720	710	715	+5
740	730	Boeing	3.20	9.4	-12	740	730	735	+5
760	750	Lockheed	3.30	9.6	-13	760	750	755	+5
780	770	Northrop	3.40	9.8	-14	780	770	775	+5
800	790	Raytheon	3.50	10.0	-15	800	790	795	+5
820	810	General Dynamics	3.60	10.2	-16	820	810	815	+5
840	830	Grumman	3.70	10.4	-17	840	830	835	+5
860	850	Westinghouse	3.80	10.6	-18	860	850	855	+5
880	870	Rockwell International	3.90	10.8	-19	880	870	875	+5
900	890	Boeing	4.00	11.0	-20	900	890	895	+5
920	910	Lockheed	4.10	11.2	-21	920	910	915	+5
940	930	Northrop	4.20	11.4	-22	940	930	935	+5
960	950	Raytheon	4.30	11.6	-23	960	950	955	+5
980	970	General Dynamics	4.40	11.8	-24	980	970	975	+5
1000	990	Grumman	4.50	12.0	-25	1000	990	995	+5

(Continued on page 13)

سكنا من الاصل

THE TRIB INDEX: 91.85

International Herald Tribune World Stock Index of 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Table with 3 columns: Asia/Pacific, Europe, N. America. Each column has a line graph and a table of values for various sectors like Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, and Miscellaneous.

Table titled 'Industrial Sectors' with columns for Sector, Close, Prev., and % Change. Rows include Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, and Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

INTERNATIONAL STOCKS

Gold Rush to East Europe Has Dwindled to a Trickle

By Jane Perlez, New York Times Service

NEW YORK — When the Berlin Wall fell in 1989, the major countries of Eastern Europe were viewed as interesting prospects for fund managers watching emerging markets. But after the initial enthusiasm, the last three years have been disappointing. Two closed-end mutual funds were floated in Europe in 1990 that specialized in Hungary: the Austro-Hungary Fund and the Hungarian Investment Fund. Last August, a closed-end fund that concentrated its portfolio in Czechoslovakia, the Czechoslovakia Investment Corp., was introduced on the London exchange. Soon after the Hungarian funds were established, the excitement about investment in Eastern Europe dampened. Expectations of a proliferation of funds investing in the region did not materialize. High inflation, faltering government policies on privatization and political uncertainties from the war in the former Yugoslavia contributed to the drop in interest. "There aren't too many of us," said John Sear, the manager of the Austro-Hungary Fund Ltd., put together by Lloyds Bank Fund Management Ltd. in London. "The Ost fantasy has disappeared."

Analysts blame inflation and faltering privatization policies.

For Baby Bells, Back to the Future?

CHICAGO — Ameritech Corp., one of the regional telephone companies created by the breakup of the AT&T monopoly a decade ago, announced Monday that it wanted to erase the basic divide between local and long-distance services set down in the 1982 court order. Ameritech, the umbrella for the Bell companies in the Great Lakes region, said it would ask the Federal Communications Commission next month for permission to provide long-distance telephone service next year. In return, the Chicago-based telecommunications company said it would open its local telephone services to competition, in part by letting other service providers in the Midwest buy components of Ameritech's network to repackage with their own for resale. Analysts called the proposal bold but unlikely to get approval in the immediate future. The Ameritech move comes as telecommunications, computer and other information-technology companies are increasingly focusing on multimedia, the marriage of forms of information that traditionally were distinct and served up by different providers. Multimedias emphasis on integration files in the face of the administrative breakup of communications services such as in the 1982 court order keeping the seven regional Bells out of the long-distance market. That order, a consent decree, grew out of the federal government's antitrust suit against American Telephone & Telegraph Co. and its affiliates in 1974. The settlement required AT&T to confine itself to the long-distance business and divest itself of its affiliates that provided local telephone service. William L. Weiss, chairman and chief executive of Ameritech, called his company's proposal a "transformation."

Branson Gives BA Ultimatum On Reparations

LONDON — An impatient Richard Branson told British Airways on Monday that it had 24 hours to quit dithering and make him a "sensible" offer to redress the financial damage done by BA's dirty tricks campaign to Virgin Atlantic Airways. "It's the way things will evolve 10 to 15 years down the road," Mr. Branson said. "But for Ameritech to think they can file this... and see it enacted in the next few years is a farce." Still, investors liked the announcement, trading Ameritech stock up \$1.50 to close at \$75.875 on the New York Stock Exchange. The nature of the difficulties facing the proposal were underlined when, separately, the U.S. Supreme Court on Monday refused to allow regional Bells to centralize their distribution of channel signals. These signals are used to route telephone calls from the Bells to the long distance companies. The Bells' proposal required a modification. See PHONES, Page 12

Clinton Package: 'Insuring' a Recovery

WASHINGTON — President Bill Clinton's chief economic adviser told Congress on Monday that the administration's stimulus package was needed as an "insurance policy" to keep the economy from faltering again. Laura D'Andrea Tyson, head of the president's Council of Economic Advisers, said the business tax breaks and public-works spending in the \$30 billion package would create an additional 500,000 jobs over the next two years and boost the growth rate by 0.3 percentage point in both 1993 and 1994. Speaking to the congressional Joint Economic Committee, she said the package was needed, "giving us a cushion against a downturn." Her appearance was a continuation of the administration's extensive campaign to drum up support for Mr. Clinton's program to reduce the deficit by \$325 billion over the next four years while at the same time providing \$169 billion in business tax breaks and spending increases over four years. The administration said it was designed to answer charges that the package was not needed in the face of expected record budget deficits and signs that the economy is beginning to improve. Her appearance was a continuation of the administration's extensive campaign to drum up support for Mr. Clinton's program to reduce the deficit by \$325 billion over the next four years while at the same time providing \$169 billion in business tax breaks and spending increases over four years. The administration said it was designed to answer charges that the package was not needed in the face of expected record budget deficits and signs that the economy is beginning to improve. Her appearance was a continuation of the administration's extensive campaign to drum up support for Mr. Clinton's program to reduce the deficit by \$325 billion over the next four years while at the same time providing \$169 billion in business tax breaks and spending increases over four years. The administration said it was designed to answer charges that the package was not needed in the face of expected record budget deficits and signs that the economy is beginning to improve.

Lufthansa Sees Breaker by 1995 at Latest

FRANKFURT — Lufthansa AG said Monday it expected to reach breakeven in its operating result by 1995. "Last month, the airline said it expected to lose 450 million to 550 million DM, pretax, this year, after an estimated loss of 1.2 billion DM in 1992. Lufthansa had a group operating loss of 301 million DM in 1991. Lufthansa said the McKinsey statements were "without foundation" and "unreliable considering the company's recent restructuring successes." (AP, AFX)

Speed Drives Morgan Past Other Brokers in Tokyo

TOKYO — When Morgan Stanley Japan Ltd., a branch of the American securities company, became the most profitable brokerage in Japan last year, the Japanese were pleased. Morgan's success was hard to swallow at a time when domestic brokers were watching their profits crumble. The frustration led many to blame Morgan and its lucrative arbitrage-trading operation for the prolonged slump in Japanese stock prices. Morgan is "the root of all evil in Japan," said one Japanese analyst. Japan's leading business newspaper, the Nihon Keizai, said in June. This followed an intrusive 14-week "restructuring" audit of Morgan's files by the Ministry of Finance. It was not long before anonymous faxes began rolling into Morgan's Tokyo trading floor with death threats. Later, a few bomb threats came too, forcing traders to evacuate the building three times. Behind this commotion sat Kevin Parker, the driving force behind Morgan's leap to No. 1. As overseer of Morgan's Tokyo equity derivatives trading desk, Mr. Parker is boss of the most profitable desk at the most profitable securities house in Tokyo. That's pretty heady stuff for a 33-year-old, who is also Morgan's youngest managing director. How does Mr. Parker's desk generate all those profits? Part of the answer is raw speed. Morgan has spent an estimated \$35 million to put the fastest trading systems available on Mr. Parker's desk. The payoff, he says, is that Morgan is two to three seconds faster than the competition. Those two or three seconds make the difference between profiting from opportunities and just watching them whiz by. "We see arbitrage opportunities in the market but when we go to execute, the trade has already been snatched up by Morgan," said a trader at a Japanese securities house. In the six months through September, Morgan Stanley Japan posted pretax profit of 12.6 billion yen (\$106 million). Morgan has profited even though stock prices are mired in a slump and Japan is stuck in one of its worst post-war recessions. Morgan's profit is nearly double that of its nearest competitor, Salomon Brothers Asia, and seven times that of the nearest Japanese broker, Daiwa Securities Co. See MORGAN, Page 13

Japan Weakness Erodes Rationale for Surpluses

TOKYO — Even as Japan racks up the largest trade surpluses in history, the flood of international investments the surpluses were supposed to finance have declined sharply in recent years, undercutting one of the government's justifications for the imbalances. The Japanese government has taken a variety of steps to blunt criticism over the overwhelming size of its surpluses. One of the more important of these, during the 1980s, was the development of multibillion-dollar programs to "recycle" some of the money to needy areas of the global economy. The government sent funds to areas of the developing world that were starved for capital and encouraged Japanese corporations to make productive investments in the United States and Europe. This money paid for everything from foreign aid projects in Thailand to Honda auto plants in Ohio and securities purchases on Wall Street, prompting the government to argue that they were a beneficial side-effect of the country's trade surpluses. But that has changed, with surprising speed. The waves of capital that Japan sent washing over the world have contracted to a trickle, leaving a residue of mistrust among some foreign officials and analysts. There has been some flow out of Japan of what is called short-term capital, but economists say that is merely a consequence of Japanese banks paying down their short-term borrowings in New York and other wholesale banking markets, not the kind of productive investments the Japanese had promised. The more important long-term capital investments are staying in Japan's recession-battered economy, where they are being used to shore up the nation's troubled banking industry, hold together a severely depressed real estate market and repay some of the reckless borrowing that took place during Japan's boom of the 1980s. Long-term Japanese investments overseas peaked at \$136.5 billion in 1987, then tumbled to a trickle of less than \$30 billion last year. They are expected to remain depressed this year. In comparison, Japan's trade surplus hit a record \$132.6 billion in 1992, more than double the level of two years earlier. The surplus with the United States came to nearly \$45 billion, and economists are projecting further growth this year. The government's official recycling program, first announced with great fanfare in 1987, sent \$65 billion abroad in the five years that ended last June. But there is no longer any official program in place. But most economists now believe, that even with a new government program, which some officials have said will involve \$130 billion over five years, the total flow of investments abroad will not match the level of the 1980s.

CURRENCY & INTEREST RATES

Table with columns for Currency, Rate, and Interest Rates. Includes sections for Cross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates.

Table with columns for Currency, Rate, and Interest Rates. Includes sections for Eurocurrency Deposits, Key Money Rates, and Forward Rates.

ANNOUNCEMENT INVESTMENT OPPORTUNITY CAIRO SHERATON HOTEL TOWERS & CASINO

In the context of the Egyptian Government Privatization Policy, the Holding Company for Tourism, owned by the Government of Egypt, and its affiliate the Egyptian General Company for Tourism and Hotels "EGOTH", announce the proposed divestiture of: Cairo Sheraton Hotel Towers & Casino. The Cairo Sheraton was opened in 1970 as a five star hotel overlooking the Nile, and located on a plot of land measuring 5451 sq. m. at Galaa Square, Cairo. It serves both business and tourist markets. It was substantially enlarged in 1989 through the construction of a second 27 storey tower, and now has 547 rooms and 113 suites. Its overall built-up area comprises 95,000 square meters. The 1992 unaudited financial statements reveal that the facility's revenue is in excess of 110 million Egyptian Pounds and the owner's share in the GOP from said facility for the same year is over 47 million Egyptian Pounds. The Cairo Sheraton Hotel Towers & Casino is operated by Sheraton Overseas Company, Ltd., under a management contract. Parties interested in this unique opportunity may now obtain the information memorandum describing the Cairo Sheraton Hotel Towers & Casino from the Financial Advisor named below:

Misr Iran Development Bank Attn. Mr. Al-Motaz Mansour Managing Director The Nile Tower 21 Giza Street, P.O.Box 219 Orman 12612 Giza - Egypt Cable MIRBANK - Fax (20-2) 570-1185 Tel. (20-2) 570-0622 Interested investors should submit their applications accompanied by information on their legal and financial status, areas of activity and affiliation to similar investments as well as their bank references. Closing date for submission of applications no later than 12 noon of March 31, 1993.

MARKET DIARY

Bonds Sustain Rally, Giving Stocks a Lift

Bloomberg Business News NEW YORK — U.S. stocks rose Monday as the yield on the benchmark 30-year Treasury bond fell below 7 percent for the first time.

Interest rates are so low money only has one place to go and that's into the stock market," said John Blair at NatWest Securities.

The Dow Jones Industrial Average rallied 20.81 points to 3,342.91, led by gains in J.P. Morgan & Co., which was added to Merrill Lynch's "buy list."

But the Nasdaq Composite Composite Index is going to be more powerful on cutting spending to reduce the record \$390 billion budget deficit, said Michael Strauss, chief economist at Yamaichi International (America).

But the stock market is going to twist and turn for the next several weeks as investors try to figure out how Clinton's plan is going to affect the economy," said Richard Meyer, head of institutional trading at Ladenburg, Thalmann & Co.

On health-care stocks were battered again by concerns over Mr. Clinton's proposal to limit tax breaks for companies manufacturing in Puerto Rico.

U.S. Surgical Corp. plunged 4% to 57%, after falling 6% points Friday. Medtronic Inc. fell 6% to 70%, following Friday's 4% point plunge.

Tobacco stocks continued to weaken amid concern of higher taxes on cigarettes.

YEN: The Rise Squeezes Japan Inc.

(Continued from page 1) record \$107 billion in 1992, is likely to grow further this year because the weak domestic economy is slowing demand for imports.

On trade, the immediate deflationary impact of a stronger yen should make Japan's trade surplus swell.

After 12 to 18 months, however, an appreciation of the yen should help narrow the imbalance by making imports more attractive, and giving a boost to Japan's economic growth via savings on cheaper imports.

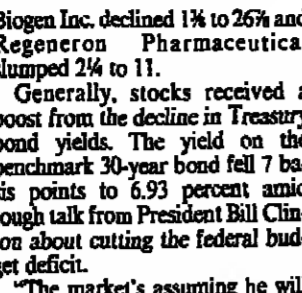
The yen strengthened across the board on Monday, rising to 71.61 to the Deutsche mark in New York from 72.86 Friday.

The dollar drifted lower to 1.6247 DM from 1.6380.

World Stock Markets

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, Milan, Madrid, Paris, Singapore, Stockholm, Toronto, Tokyo, Zurich, and others. Columns include stock index, change, and volume.

The Dow



Dow Jones Averages

Table of Dow Jones Averages: Industrials, Composite, and NYSE Index with high, low, and change values.

Standard & Poor's Indexes

Table of Standard & Poor's Indexes: Industrials, Composite, and NYSE Index with high, low, and change values.

NYSE Most Actives

Table of NYSE Most Actives: Lists top trading volume stocks like Philip Morris, Pfizer, and Amgen.

AMEX Most Actives

Table of AMEX Most Actives: Lists top trading volume stocks on the American Stock Exchange.

NASDAQ Most Actives

Table of NASDAQ Most Actives: Lists top trading volume stocks on the National Association of Securities Dealers Market.

NYSE Diary

Table of NYSE Diary: Lists new issues, advanced issues, and declined issues.

AMEX Diary

Table of AMEX Diary: Lists new issues, advanced issues, and declined issues.

NASDAQ Diary

Table of NASDAQ Diary: Lists new issues, advanced issues, and declined issues.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

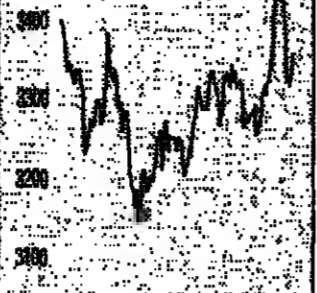
Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

The Dow



Dow Jones Averages

Table of Dow Jones Averages: Industrials, Composite, and NYSE Index with high, low, and change values.

Standard & Poor's Indexes

Table of Standard & Poor's Indexes: Industrials, Composite, and NYSE Index with high, low, and change values.

NYSE Most Actives

Table of NYSE Most Actives: Lists top trading volume stocks like Philip Morris, Pfizer, and Amgen.

AMEX Most Actives

Table of AMEX Most Actives: Lists top trading volume stocks on the American Stock Exchange.

NASDAQ Most Actives

Table of NASDAQ Most Actives: Lists top trading volume stocks on the National Association of Securities Dealers Market.

NYSE Diary

Table of NYSE Diary: Lists new issues, advanced issues, and declined issues.

AMEX Diary

Table of AMEX Diary: Lists new issues, advanced issues, and declined issues.

NASDAQ Diary

Table of NASDAQ Diary: Lists new issues, advanced issues, and declined issues.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

European Futures

Table of European Futures: Lists futures contracts for various commodities like sugar, coffee, and cocoa.

Food

Table of Food Futures: Lists futures contracts for various food items like wheat, corn, and soybeans.

Metals

Table of Metals Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

U.S. Futures

Table of U.S. Futures: Lists futures contracts for various U.S. commodities and financial instruments.

Grains

Table of Grain Futures: Lists futures contracts for various grain commodities like wheat, corn, and soybeans.

Metals

Table of Metal Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

European Futures

Table of European Futures: Lists futures contracts for various commodities like sugar, coffee, and cocoa.

Food

Table of Food Futures: Lists futures contracts for various food items like wheat, corn, and soybeans.

Metals

Table of Metals Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

U.S. Futures

Table of U.S. Futures: Lists futures contracts for various U.S. commodities and financial instruments.

Grains

Table of Grain Futures: Lists futures contracts for various grain commodities like wheat, corn, and soybeans.

Metals

Table of Metal Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

European Futures

Table of European Futures: Lists futures contracts for various commodities like sugar, coffee, and cocoa.

Food

Table of Food Futures: Lists futures contracts for various food items like wheat, corn, and soybeans.

Metals

Table of Metals Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

U.S. Futures

Table of U.S. Futures: Lists futures contracts for various U.S. commodities and financial instruments.

Grains

Table of Grain Futures: Lists futures contracts for various grain commodities like wheat, corn, and soybeans.

Metals

Table of Metal Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

Commodities

Table of Commodity Futures: Lists futures contracts for various commodities like oil, natural gas, and livestock.

Dividends

Table of Dividend Futures: Lists futures contracts for various dividend-paying stocks.

Baker and Mosbacher to Advise Enron

HOUSTON (UPI) — Enron Corp. said Monday that the former secretary of state, James A. Baker 3d, and the former commerce secretary, Robert A. Mosbacher, had agreed to assist the Houston-based company in developing natural-gas projects overseas.

Enron said that the two former Bush administration cabinet officers, working under a joint consulting and investing agreement, would bring their "wealth of international experience" to the company.

"Although they will not lobby U.S. government agencies or officials and will not represent any foreign governments around the world, as well as their great understanding of the energy business, will greatly enhance Enron's goal of becoming the world's first natural gas major," said Enron's chairman, Kenneth Lay.

Enron, which has assets of \$11 billion, operates one of the world's largest natural-gas transmission systems. It owns 80 percent of Enron Oil & Gas Co., one of the largest independent natural-gas exploration and production companies in the United States.

Torchmark Buys United Investors

BIRMINGHAM, Alabama (Bloomberg) — Torchmark Corp. sent shares of its 84 percent-owned United Investors Management Co. soaring on Monday, offering \$201 million for the remaining 16 percent of the company.

Torchmark, the Birmingham-based insurer and financial-services company, said that it had offered about \$30.50 in the form of a newly issued convertible debenture for each of United Investors' 6.58 million nonvoting shares outstanding. Terms of the debenture have not yet been set.

Torchmark officials declined to comment on the move for repurchasing the spun-off shares.

Steel Shipments Increased in January

CLEVELAND (UPI) — The Steel Service Center Institute said Monday that the industry had started the new year with unusually strong shipping levels and expectations of even better days ahead.

January's average daily shipping rate was up 16.5 percent from December, according to the latest business conditions report of the Steel Service Center Institute.

For the first time since September 1990, service centers shipped more than 94,000 tons of steel products a day. Average daily shipments for all seven product categories were up over December levels.

Du Pont Debt Ratings Under Review

NEW YORK (AP) — Moody's Investors Service said Monday that it had placed under review for possible downgrade the A2 long-term debt ratings of Du Pont Co. about \$8.8 billion of long-term debt is affected.

Moody's said that the review reflected its concern over increased debt levels coinciding with lagging cash flow — a trend of several years' duration that worsened significantly in 1992.

Ratings under review are Du Pont's A2 rating on senior notes, debentures, Eurobonds and numerous tax-exempt issues.

Weekend Box Office

LOS ANGELES — "Groundhog Day" led U.S. box office results over the weekend, earning an estimated \$9.6 million. Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

Table of Weekend Box Office: Lists top performing movies like 'Groundhog Day', 'The Untouchables', and 'The Untouchables'.

U.S. Futures

Table of U.S. Futures: Lists futures contracts for various U.S. commodities and financial instruments.

Grains

Table of Grain Futures: Lists futures contracts for various grain commodities like wheat, corn, and soybeans.

Metals

Table of Metal Futures: Lists futures contracts for various metals like gold, silver, and platinum.

Financial

Table of Financial Futures: Lists futures contracts for various financial instruments like interest rates and currencies.

Stocks

Table of Stock Futures: Lists futures contracts for various stock indices and individual stocks.

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE

U.S. / AT THE CLOSE



# Polish Privatization Pact

**WARSAW** — The government and eight major labor unions signed Monday a legislative package giving workers a say in how state-owned enterprises will be privatized.

The pact, subject to parliament's approval, includes tax, social-welfare and privatization laws regulating the transition to private ownership. The package is seen as an attempt by the seven-month-old government of Prime Minister Hanna Suchocka to stave off labor unrest and at the same time accelerate privatization.

The pact will give all state enterprises six months to decide their path to privatization. Options include public sale of shares, transfer of ownership to workers, finding a foreign or domestic investor, or giving a controlling share to a bank or an investment fund.

In all cases, employees will receive a free 10 percent of the shares in their enterprises. In large companies, employees will get board seats.

The pact includes debt relief for enterprises that cannot meet their liabilities because of defaulted payments by other companies.

Companies agreeing to be privatized will be offered various kinds of tax relief.

# EAST: The Gold Rush Peters Out

(Continued from first finance page)

The share price, which opened at \$7 in September 1990, was down to \$3.75, for a discount of 34 percent.

Three coming privatisations will give more opportunity for investment for the fund, Mr. Sear said. A hotel chain owned by the Hungarian government, Danibus, a liquor company, Unicum, and Global, a department store chain, are about to be listed on the Budapest stock exchange, he said.

Like the Austro-Hungarian Fund, the Hungarian Investment Fund, a \$100 million fund traded on the London Stock Exchange and managed by Stephen Wood of John Govett in London, has part of its portfolio in Foxet and Styl.

But much of its investment is in nonquoted Hungarian companies including packaging companies and a company that has the franchises for Burger King in Hungary.

Mr. Wood said the net asset value was \$96.79 at the end of January, and the shares were trading at \$55.

Czechoslovakia Investment Corp., a \$30 million closed-end fund, is described by its manager, Roddy Sale at Fleming Investment Management in London, as the only fund operating in the Czech Republic and Slovakia that is available to the public.

Although Mr. Sale is finding few opportunities, work on the fund's first investment in the Czech Republic is nearly completed and the deal — in a textile company — will be announced soon, he said.

# NASDAQ

**Monday's Prices**  
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High Low Stock Div Yld PE 100 High Low Latest Chg

12 Month High	Low	Stock	Div	Yld	PE	100	High	Low	Latest	Chg
100	90	AAV	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	ABC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DEF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GHI	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JKL	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	MNO	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	PQR	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	STU	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	VWX	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	YZA	0.00	0.00	0.00	0.00	100	90	95	0.00

# AMEX

**Monday's Closing**  
Tables include the national closing up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

17 Month High Low Stock Div Yld PE 100 High Low Latest Chg

17 Month High	Low	Stock	Div	Yld	PE	100	High	Low	Latest	Chg
100	90	AAA	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	BBB	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	CCC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DDD	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	EEE	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	FFF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GGG	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	HHH	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	III	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JJJ	0.00	0.00	0.00	0.00	100	90	95	0.00

# 17 Month High Low Stock Div Yld PE 100 High Low Latest Chg

100	90	AAA	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	BBB	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	CCC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DDD	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	EEE	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	FFF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GGG	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	HHH	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	III	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JJJ	0.00	0.00	0.00	0.00	100	90	95	0.00

# 17 Month High Low Stock Div Yld PE 100 High Low Latest Chg

100	90	AAA	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	BBB	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	CCC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DDD	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	EEE	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	FFF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GGG	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	HHH	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	III	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JJJ	0.00	0.00	0.00	0.00	100	90	95	0.00

# 17 Month High Low Stock Div Yld PE 100 High Low Latest Chg

100	90	AAA	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	BBB	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	CCC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DDD	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	EEE	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	FFF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GGG	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	HHH	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	III	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JJJ	0.00	0.00	0.00	0.00	100	90	95	0.00

12 Month High	Low	Stock	Div	Yld	PE	100	High	Low	Latest	Chg
100	90	AAA	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	BBB	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	CCC	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	DDD	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	EEE	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	FFF	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	GGG	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	HHH	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	III	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	JJJ	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	KKK	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	LLL	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	MMM	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	NNN	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	OOO	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	PPP	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	QQQ	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	RRR	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	SSS	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	TTT	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	UUU	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	VVV	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	WWW	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	XXX	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	YYY	0.00	0.00	0.00	0.00	100	90	95	0.00
100	90	ZZZ	0.00	0.00	0.00	0.00	100	90	95	0.00

into the Blair at the age fall led by which Lynch's of advanc number slim r Stock f But t positie 652.42, nology percent stock e the coo tests to were p "Bio cause ment," trader: ca). At

**YE**

record to grow the w slowing thus b on the aging l and b similar which Thau ment.

**F**

terms l tween l ber 19 2.1 p points h declin share h The m of er, w the p mpe invest home: ment o its an Japan' limited already percent with e financi capital Tokyo The sure o

**W**

Agency

**A**

ABN AF AG AL AM AN AP AR AS AT AU AV AW AX AY AZ BA BB BC BD BE BF BG BH BI BJ BK BL BM BN BO BP BR BS BT BU BV BW BX BY BZ CA CB CC CD CE CF CG CH CI CJ CK CL CM CN CO CP CQ CR CS CT CU CV CW CX CY CZ DA DB DC DD DE DF DG DH DI DJ DK DL DM DN DO DP DQ DR DS DT DU DV DW DX DY DZ EA EB EC ED EE EF EG EH EI EJ EK EL EM EN EO EP EQ ER ES ET EU EV EW EX EY EZ FA FB FC FD FE FF FG FH FI FJ FK FL FM FN FO FP FQ FR FS FT FU FV FW FX FY FZ GA GB GC GD GE GF GG GH GI GJ GK GL GM GN GO GP GQ GR GS GT GU GV GW GX GY GZ HA HB HC HD HE HF HG HH HI HJ HK HL HM HN HO HP HQ HR HS HT HU HV HW HX HY HZ IA IB IC ID IE IF IG IH II IJ IK IL IM IN IO IP IQ IR IS IT IU IV IW IX IY IZ JA JB JC JD JE JF JG JH JI JJ JK JL JM JN JO JP JQ JR JS JT JU JV JW JX JY JZ KA KB KC KD KE KF KG KH KI KJ KL KM KN KO KP KQ KR KS KT KU KV KW KX KY KZ LA LB LC LD LE LF LG LH LI LJ LK LM LN LO LP LQ LR LS LT LU LV LW LX LY LZ MA MB MC MD ME MF MG MH MI MJ MK ML MN MO MP MQ MR MS MT MU MV MW MX MY MZ NA NB NC ND NE NF NG NH NI NJ NK NL NO NP NQ NR NS NT NU NV NW NX NY NZ OA OB OC OD OE OF OG OH OI OJ OK OL OM ON OO OP OQ OR OS OT OU OV OW OX OY OZ PA PB PC PD PE PF PG PH PI PJ PK PL PM PN PO PP PQ PR PS PT PU PV PW PX PY PZ QA QB QC QD QE QF QG QH QI QJ QK QL QM QN QO QP QQ QR QS QT QU QV QW QX QY QZ RA RB RC RD RE RF RG RH RI RJ RK RL RO RP RQ RR RS RT RU RV RW RX RY RZ SA SB SC SD SE SF SG SH SI SJ SK SL SM SN SO SP SQ SR SS ST SU SV SW SX SY SZ TA TB TC TD TE TF TG TH TI TJ TK TL TO TP TQ TR TS TT TU TV TW TX TY TZ UA UB UC UD UE UF UG UH UI UJ UK UL UM UN UO UP UQ UR US UT UU UV UW UX UY UZ VA VB VC VD VE VF VG VH VI VJ VK VL VO VP VQ VR VS VT VU VW VX VY VZ WA WB WC WD WE WF WG WH WI WJ WK WL WO WP WQ WR WS WT WU WV WX WY WZ XA XB XC XD XE XF XG XH XI XJ XK XL XO XP XQ XR XS XT XU XV XW XX XY XZ YA YB YC YD YE YF YG YH YI YJ YK YL YO YP YQ YR YS YT YU YV YW YX YZ ZA ZB ZC ZD ZE ZF ZG ZH ZI ZJ ZK ZL ZO ZP ZQ ZR ZS ZT ZU ZV ZW ZX ZY ZZ

سكان الامم



# SPORTS BASEBALL

## Lou Piniella's Primer On Schott and Loyalty

By Murray Chass

**New York Times Staff Writer**  
PEORIA, Arizona — Lou Piniella's departure from the Cincinnati Reds occurred last October, but it began a year earlier.

"It was time for me to move on," Piniella said, sitting in his office here at the Seattle Mariners' new spring-training site. "I didn't like some of the things that were done there, and as a manager, I had a chance to come back or move on and I chose to move on."

Marge Schott, the Reds' owner, offered Piniella a two-year contract extension, but it was what she didn't offer in 1991 that precipitated his departure.

"It just wasn't fun," Piniella, the Mariners' new manager, said this weekend, speaking generally of the latter part of his three-year tenure as manager in Cincinnati. Then he cited the specific incident that prompted his decision to leave.

"The biggest thing that didn't leave a good taste was what happened when I had the problem with the umpires," he related. "When I got sued by the umpires, I got no backing from the organization. That started the wheels turning. I think any organization would back their manager. I got nothing financial or anything. I went back in '92 and fulfilled my contract, but when it came time to extend, I chose not to."

In August 1991, Piniella became enraged when Gary Darling, the home-plate umpire in a game against San Francisco, reversed a ruling by another umpire and deprived the Reds' Bill Doran of a home run. After the game, Piniella, he of the legendary temper, said that Darling was biased against the Reds. Two months later, Darling and the Major League Umpires Association filed a \$5 million defamation suit against Piniella.

"I realize I didn't say the right thing," Piniella said. "It was in the heat of battle. But I got no backing, I got in my crew. That was the big thing."

If such an incident had occurred when Piniella managed the New York Yankees from 1986 to 1988, George Steinbrenner, a boisterous critic of umpires, would probably have hired the best lawyers — plural — for Piniella. But Schott, who on Feb. 3 was suspended from baseball for a year because of her demeaning racial and ethnic comments, has never had a history of expending money or words on her employees' behalf.

As one of her former employees explained Sunday, she reasoned that she didn't make the comment about Darling and therefore shouldn't have had to spend her money on a lawyer to defend Piniella. So Piniella spent his own money on a lawyer and the conflict was settled, with the lawsuit being dropped and the manager's issuing a statement praising umpires in general and Darling in particular, saying he regretted making comments "that may have maligned his character in any way."

Now, at the age of 49, with six years of managing behind him, Piniella has a new job with a three-year contract. He did not remain unemployed long once he informed Schott he would not return to Cin-

But now Piniella is the Mariners' 10th manager in their 17-year existence, an existence that has produced little life, with only one winning season (1991), which was followed by a disastrous last-place, 64-98 finish.

Woody Woodward, the Mariners' general manager, wanted Piniella because Piniella has been a winner, as a player and a manager. Winning is a foreign word to the Mariners.

"This is a first-class organization," Piniella said of Seattle. "We just have to bring a winning tradition to it. Other people before me failed. Last year they took a big step backward. That's why I'm here. I'm not looking at it as a rebuilding process. I'm looking at it as establishing a winning tradition."

As a player, Piniella was never a natural at anything, hitting, baserunning or playing the outfield. But intense work and concentration on his hitting mechanics made him a career .291 hitter, alertness made him a deceptively good baserunner and all-out effort enabled him to reach more fly balls than he was expected to catch. He made himself a winning player.

"It's a commitment, it's a dedication, it's a passion," he said, defining the start of a winning tradition. "You have to have the talent; the team has to be put together the right way, but I would describe it as a commitment and having pride in what you do."

Players, though, are the ones who create the winning, not the manager, he explained. As he talked, he took off the World Series ring he wore on his right hand. "I have my Yankee ring back on, the one from 1977," he said. "I'm back in the American League so I'll put my Yankee ring back on."

But isn't he proud of what he and the Reds accomplished in 1990? "I'm very proud of '90," he responded. "I'm exceedingly proud of '90 — what we accomplished and what the players did. But as a manager, I have to take a backseat. I'm there to supervise, hopefully contribute, but the players are the ones who deserve the credit."

Yet Piniella remains a compelling personality. Consider the most recent special aspect of his career. In the wake of his departure from the Yankees, Steinbrenner was suspended. No sooner did he leave the Reds than Schott was suspended.

"Yeah," Piniella said, breaking into his eye-closing grin, "one's coming off suspension, the other's going on."

"I think I could have been an assistant to the general manager in a scouting, consulting sort of way," he said.

If no one else had offered a job, Piniella is certain his old friend, Steinbrenner, would have.

"The Yankees still have a special place," he said. "I was there a long time. If George didn't take a chance on me managing, I wouldn't be a manager. I like the guy; I really do. He's a pistol. I'm sure he likes me."

But now Piniella is the Mariners' 10th manager in their 17-year existence, an existence that has produced little life, with only one winning season (1991), which was followed by a disastrous last-place, 64-98 finish.

Woody Woodward, the Mariners' general manager, wanted Piniella because Piniella has been a winner, as a player and a manager. Winning is a foreign word to the Mariners.

"This is a first-class organization," Piniella said of Seattle. "We just have to bring a winning tradition to it. Other people before me failed. Last year they took a big step backward. That's why I'm here. I'm not looking at it as a rebuilding process. I'm looking at it as establishing a winning tradition."

As a player, Piniella was never a natural at anything, hitting, baserunning or playing the outfield. But intense work and concentration on his hitting mechanics made him a career .291 hitter, alertness made him a deceptively good baserunner and all-out effort enabled him to reach more fly balls than he was expected to catch. He made himself a winning player.

"It's a commitment, it's a dedication, it's a passion," he said, defining the start of a winning tradition. "You have to have the talent; the team has to be put together the right way, but I would describe it as a commitment and having pride in what you do."

Players, though, are the ones who create the winning, not the manager, he explained. As he talked, he took off the World Series ring he wore on his right hand. "I have my Yankee ring back on, the one from 1977," he said. "I'm back in the American League so I'll put my Yankee ring back on."

But isn't he proud of what he and the Reds accomplished in 1990? "I'm very proud of '90," he responded. "I'm exceedingly proud of '90 — what we accomplished and what the players did. But as a manager, I have to take a backseat. I'm there to supervise, hopefully contribute, but the players are the ones who deserve the credit."

Yet Piniella remains a compelling personality. Consider the most recent special aspect of his career. In the wake of his departure from the Yankees, Steinbrenner was suspended. No sooner did he leave the Reds than Schott was suspended.

"Yeah," Piniella said, breaking into his eye-closing grin, "one's coming off suspension, the other's going on."

"I think I could have been an assistant to the general manager in a scouting, consulting sort of way," he said.

If no one else had offered a job, Piniella is certain his old friend, Steinbrenner, would have.

"The Yankees still have a special place," he said. "I was there a long time. If George didn't take a chance on me managing, I wouldn't be a manager. I like the guy; I really do. He's a pistol. I'm sure he likes me."



Gary Carter gave some catching tips to Charles Johnson at the Mariners' training camp. Carter, who had a long career with the Mets and Expos, will be in the Mariners' broadcasting booth this season.

## Winfield Reports Early to Twins

The Associated Press  
Dave Winfield is eager to start his career with the Minnesota Twins.

The outfielder, who will be 42 on the final day of the season, reported early Sunday to training camp at Fort Myers, Florida, after signing in December as a free agent.

"I got a lot of work to do and plenty of time to do it," he said. Winfield hit 290 for the World Series champion Toronto Blue Jays

last season with 26 homers and 108 RBIs. He even got the decisive hit of the World Series in the 11th inning of Game 6.

"Even if he sails off a little, that's still good production," said the Twins' manager, Tom Kelly.

At Duncedin, Florida, the Blue Jays were talking about replacing Winfield's bat.

"The absence of a Dave Winfield will hurt, no doubt about it," hitting instructor Larry Hulse said.

"But we do have Paul Molitor, a young Ed Sprague and a young Derek Bell. I believe those three will offset the absence of a Dave Winfield and I think we should score as many runs as we did last year. Maybe more."

A few miles away, the Boston Red Sox were happy that Roger Clemens arrived when they asked him to: eight days after the voluntary reporting date last year, but before the mandatory date set by the collective bargaining agreement.

"I'm not here early. I'm not here late," Clemens said. "I don't know why it's such a big story. I mean if I was worried about needing to be ready, I'd get down here in January."

Clemens said Boston's 73-89 record last year and its first last-place finish since 1932 was part of the reason for his arrival.

"It's getting tougher and tougher to leave home and leave the troops behind," Clemens said, "but it would be good to get down here and get my mind set right on what needs to be done. How poorly we performed last year is a real good reason to get down here."

## Players Who Chose Arbitration Averaged Raises of 110%

The Associated Press  
NEW YORK — Judging by salary arbitration, times aren't tough in baseball.

The 118 players in arbitration increased their salaries by an average of 110 percent this winter, according to a survey.

The players increased their salaries from an average of \$756,911 to \$1,586,332, the survey showed. The increase of \$829,421 was the most in the 19-year history of arbitration, topping the previous record of \$714,644, set last year. The percentage increase topped last year's 100 percent and was below only the 113 percent increase in 1981.

Seventy-three players doubled their salaries, including 37 who tripled, 17 who quadrupled and five who increased their earnings five-fold. The number of players doubling was down by 11 from last year, when 157 players were in arbitration. The number who tripled was up by four, as was the number who quadrupled.

Fitcher Greg Hibbard of the Chicago Cubs got the biggest increase, a 555 percent jump from \$210,000 to \$1,375,000. Hibbard was 10-7 with a 4.40 ERA last season for the Chicago White Sox. He was taken by the Florida Marlins in the expansion draft last Nov. 17, then dealt immediately to the Cubs.

Owners hate arbitration and want to eliminate it from the next collective bargaining agreement with the players' association despite a 12-6 advantage in decisions this year and a 199-160 lead since the process began in 1974. It's easy to see why from the results.

There were 111 players who got raises this year, three who got the same salary and four who took cuts: pitchers Jim Golt of Los Angeles, Erik Hanson of Seattle, Joe Magrane of St. Louis and David Wells of Toronto. Hanson lost his case before an arbitrator and Golt agreed to the decrease because he got a two-year deal; Magrane and Wells both got performance bonuses that could leave them with raises when the season is finished.

The six players who won their hearings got an average 174 percent increase from \$842,500 to \$2,308,333. The 12 who lost got an average 55 percent increase from \$878,542 to \$1,357,500. The 100 who settled got an average 115 percent increase from \$737,180 to \$1,570,472.

Fourteen players in arbitration agreed to multiyear contracts, up from 10 last year and the same as in 1991. Six other arbitration-eligible players agreed to multiyear deals before filing, topped by Ken Griffey Jr.'s \$24 million, four-year deal with the Seattle Mariners, the richest deal for a player with less than six years of major league service.

"I'm not here early. I'm not here late," Clemens said. "I don't know why it's such a big story. I mean if I was worried about needing to be ready, I'd get down here in January."

Clemens said Boston's 73-89 record last year and its first last-place finish since 1932 was part of the reason for his arrival.

"It's getting tougher and tougher to leave home and leave the troops behind," Clemens said, "but it would be good to get down here and get my mind set right on what needs to be done. How poorly we performed last year is a real good reason to get down here."

## Around the World Record In Sailing Faces Battering

LES SABLES D'OLONNE, France — The record for sailing around the world is likely to be broken three times in the next month, organizers of the Vendée Globe single-handed yacht race, said Monday.

They said Alain Gautier of France, who leads the race, is on course to break the record of 109 days, 8 hours and 48 minutes set by Titouan Lamazou of France when he won the race four years ago.

Gautier, who left Les Sables d'Olonne in western France on Nov. 22, is in the Atlantic less than 4,000 nautical miles from the finish, which he must reach before March 12 to beat Lamazou's time.

But his record might not last long. Philippe Poupon of France, who is lying second, had to return to the start for repairs after setting sail and finally left five days later. But he, too, is on course to break the record, organizers said, even if he does so without winning the race, which is a first-past-the-post affair.

A third Frenchman, Yves Parlier, also had to go back for repairs, and had set out again 10 days later. But organizers said he is setting the fastest pace of all and was four days inside the record time.

Furthermore, three faster catamarans set off from France at the end of January in a \$1 million challenge to beat the fictional 80-day trip by Jules Verne's character Phileas Fogg. They are due to return in April.

## SIDELINES

### Sivertsen Wins Nordic 10K Race

FALUN, Sweden (AP) — Sture Sivertsen of Norway won his first major individual title Monday, edging Vladimir Smirnov of Kazakhstan by 3.9 seconds in the 10-kilometer cross-country race in the World Nordic Ski Championships.

Sivertsen, upset after being dropped from Norway's team in the opening 30-kilometer race Saturday, trailed Smirnov at the six-kilometer mark but finished with a blistering pace. Sivertsen, 26, covered the classical-style race, held in perfect conditions under sunny skies, in 24 minutes, 51.6 seconds.

Vegard Ulvang, a three-time gold medalist in last year's Olympics in Albertville, France, was 6.5 seconds behind in third place.

A Germany successfully defended its World Luge Championship team title in Calgary, Alberta, with Austria second and Italy third. (Reuters)

### Kenya's Ngugi in Dispute With IAAF

NAIROBI (Reuters) — Kenya's five-time world cross-country champion, John Ngugi, faces a four-year ban by the International Amateur Athletic Federation for refusing to take a random dope test, a senior IAAF official said Monday.

John Weston, the leader of the IAAF's team of doctors, said that Ngugi refused to take a random test last week and that he was forwarding his report to the IAAF for action.

Ngugi, winner of the 1988 Olympics' 5,000-meter gold medal, said he had declined to take the test because the IAAF's team of doctors who visited his rural home at Nyahururu, 300 kilometers north of Nairobi, had failed to identify themselves.

Butch Reynolds, the 400-meter world record-holder coming back from a controversial 2 1/2-year drug suspension by the IAAF, won at the U.S. national trials to gain a place on the 400-meter squad for next month's World Indoor Championships. (AP)

### Lakers Trade Perkins to Sonics

SEATTLE (AP) — The Seattle SuperSonics acquired Sam Perkins from the Los Angeles Lakers on Monday in a trade for little-used center Benoit Benjamin and the rights to Doug Christie, the Peppertown swingman who was a first-round pick in last June's draft but never signed.

The Santa Monica Outlook newspaper reported that the Lakers also were seeking a trade with the Dallas Mavericks for the rights to another unsigned rookie, Jim Jackson of Ohio State. Dallas reportedly was seeking Laker center Viade Divac and rookie guard-forward Anthony Peeler in exchange for the rights to Jackson.

### For the Record

The Tour de France in 1994 will start in the northern city of Lille on July 2, followed by the first stage to Armentieres the next day. It was announced Monday. (Reuters)

Lester Piggott, 57, the English jockey making a comeback from a serious injury at the Breeders Cup meeting in the United States last November, withdrew Monday from the Hong Kong race meeting on Wednesday after receiving a facial cut from horse's head. (Reuters)

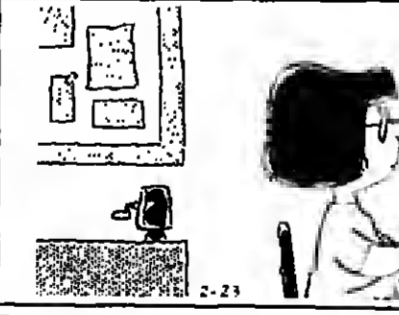
Phil Mickelson, cheered by a partisan gallery of family, friends and former schoolmates in La Jolla, California, won his hometown tournament, the Buick Invitational, with a 7-under-par 65 that beat runner-up Dave Rummels by four strokes. (AP)

Pat Clinton of Britain, the WBO flyweight champion, has postponed his March 6 fight in Glasgow, Scotland, against Jake Malialis of South Africa, because of a back injury. (Reuters)

### DENNIS THE MENACE



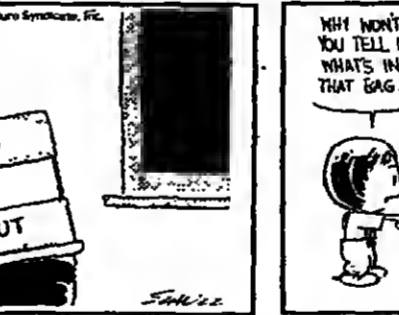
### PEANUTS



### CALVIN AND HOBBES



### WIZARD of ID



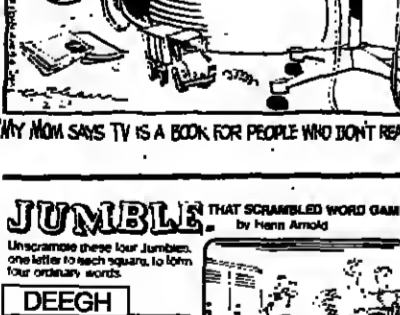
### REX MORGAN



### GARFIELD



### BLONDIE



### BEEBLE BAILEY



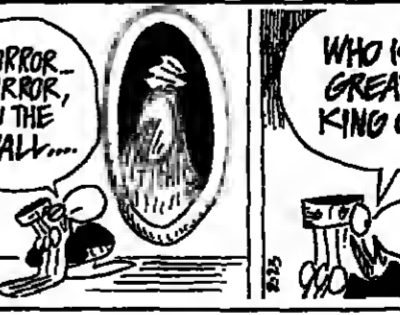
### DOONESBURY



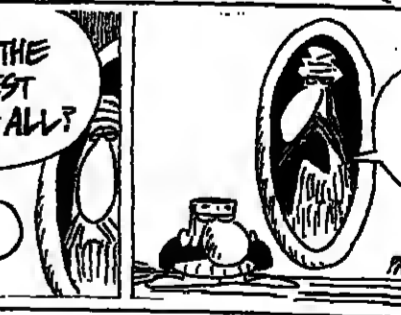
### JUNBLE



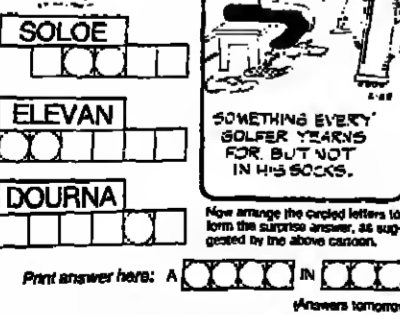
### DEEGH



### SOLOE



### ELEVAN

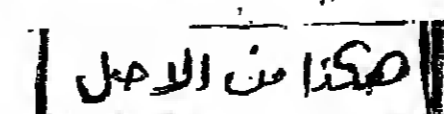


### DOURNA



### TO OUR READERS IN SWITZERLAND

It's never been easier to subscribe and save. Just contact us at our Zurich office. Phone: (01) 481 7200. Fax: (01) 481 8288.





SPORTS

Shooting Is Real For Croatia Cagers Embattled Olympic Stars Now Struggle in War Zone

By Ian Thomsen International Herald Tribune SPLIT, Croatia — This country has earned little reward this harsh winter for the Olympic silver medal in basketball last summer...

said Naglic, the team captain. "We couldn't play European games in Croatia. We had in spend four months in Spain. My son was born last year while I was outside the country...

The most important thing is that we keep playing basketball. Mihovil Nakic, secretary-general of the Croatian Basketball Federation.

where he is or what has happened to him. When Croatia announced its independence in June 1991, and fought to defend itself against the former Yugoslav Army...

"This week we have two or three shells hitting Zadar," says the club director, Jure Kostia. "Our team starts training at 10:30 A.M. The shelling starts at the same time...

The 300-kilometer (185-mile) bus ride from Zadar to Zagreb takes seven hours, lengthened by the destruction of the Maslenica Bridge near Zadar.

The basketball federation imposes minimum budgets and salaries for its clubs. None are being enforced this year. The average salary in Croatia has shrunk to 10 percent of what it was before the war.

Two years ago, says the club manager, Josip Bilic, he was negotiating with Montedison, the Italian giant of the oil industry, to sponsor the club...

NBA West Wins Heated All-Star Game in Overtime

O'Neal, Other Newcomers Add Intensity to Contest



John Stockton, who was co-MVP with Jazz teammate Karl Malone, got the attention of Michael Jordan, rear, and Isiah Thomas.

By David Aldridge Washington Post Service SALT LAKE CITY, Utah — It was fitting in an all-star weekend in which so much was made of the infusion of new stars into the National Basketball Association's showcase event...

And the 43rd All-Star Game, won by the Western Conference in overtime, 135-132, over the Eastern Conference, did have a different feel and intensity to it than many other recent such games.

The sellout crowd of 19,459 at the Delta Center in Salt Lake City got what it wanted Sunday: two hometown players, Malone and John Stockton of the Utah Jazz, shared the Most Valuable Player award.

O'Neal scored 13 of his 14 points in the first half. He didn't play for most of the final quarter, while Ewing was on the floor, but he set the tone for the game with a hard foul on Robinson 29 seconds after the tipoff.

"If you're out there competing and working hard, you'll have a lot more fun, and it's going to be a good game for the fans," Stockton said. "There were a lot of young guys, which means they want to go out there and win as bad as anything, and in the so-called older group, everybody was competing very hard."

Michael Jordan scored a game-high 30 points for the East, but his team wouldn't have had a chance if it hadn't been for the three-point shooting of the Cleveland Cavaliers' guard, Mark Price.

In the overtime, the West took control with a 10-2 run that overcame a two-point East lead and left the West up, 131-125, with 1:28 to go on a three-pointer from Charles Barkley of Phoenix (16 points).

After Tim Hardaway of Golden State missed two free throws a second later, the East had a chance to tie. Price drove the lane hard, looking for Isiah Thomas of Detroit (eight points) in the right corner for a three-point shot.

Robinson was fouled with 13.5 seconds left and made one of two free throws for a four-point West lead. Jordan missed at the other end.

But, he said: "That's all right. I'll be there next year." Next: A Team in Toronto? Toronto may be the next city, and the first outside the United States, awarded an NBA franchise.

Jordan vs. Majerle: A Playoff Preview?

By Harvey Araton New York Times Service SALT LAKE CITY, Utah — The All-Star Game offered a preview of Dan Majerle, one of the best defenders in the National Basketball Association, versus Michael Jordan, the best player in the world.

"If we both get to the finals, that will be one of the highlights," Chicago Bulls' Jordan said of the matchup between himself and his All-Star shadow, the Phoenix Suns' Majerle, after the Western Conference outlasted Jordan and the East, 135-132, in overtime.

Down the stretch of an All-Star Game that suddenly picked up the kind of defensive intensity atypical of this indoor playground, Jordan looked into Majerle's face every time he crossed midcourt with the East in possession of the ball.

The fact that his coach with the Suns, Paul Westphal, was pushing the West's buttons figured in Majerle, who was not a starter, playing the final 4 minutes, 44 seconds of the fourth quarter and all of overtime. But as Westphal said, "The guy's not a good defensive player, he's a great offensive player. So who else would you put on Michael Jordan?"

Jordan said: "Sure, I would have put him on me. Listen, he's one of the best. He plays hard. He competes. He wears his heart on his sleeve. I don't know him very well, but when he guards me, I can feel the tension. I enjoy the challenge."

To which the 6-foot, 6-inch (1.98-meter) Majerle added: "I enjoy the opportunity to guard him. No one can stop him, but who wouldn't want to try?"

Jordan led the East with 30 points, but struggled on his jump shot, making 10 of his 24 shots. At one point late in the fourth quarter, with the East trailing by 117-112, Jordan actually had to shove Majerle in the chest to get off a jumper from the left side. It missed, and the East appeared dead.

Arizona Tops Cincinnati, Extending Streak to 17

Cincinnati overcame an early 15-point deficit before rallying to take the lead midway through the second half. But Arizona regained the lead on Mills' third-point play, which broke a 60-60 tie.

"We got tired a little bit when they came back, but we got our second wind and did a better job rebounding," said Mills, who finished with 23 points as the Wildcats (19-2) extended their school-record winning streak to 17 games.

Nick Van Exel carried the Bearcats (20-3), tying his career high with 31 points. "We tried to go inside to the big men, but their shots weren't falling, so somebody had to score," Van Exel said. "We had some guys who were tired and a little nervous."

Van Exel, who had 17 points in the second half, gave Cincinnati a 47-46 lead on two free throws with 10:47 remaining. He followed with a 3-pointer and a lay-up as Cincinnati set its largest lead, 52-47, with 9:34 left.

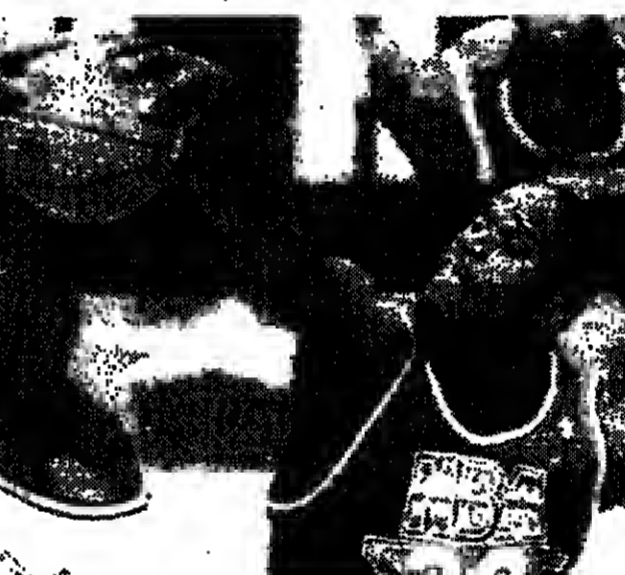
But Arizona, which played much of the second half without center Ed Stokes because of foul problems, got the lead back at 54-52 on a 3-pointer by guard Damon Stoudamire.

Mills made it 58-54 with a lay-up, but Cincinnati countered with a 6-0 run, and the Bearcats held a 60-58 lead with 3:19 to go.

Then Arizona's Reggie Geary tied it with a loose-ball lay-up. Mills made it 63-60 with an offensive-rebound basket and the ensuing free throw, and Khalid Reeves hit a short jumper, giving the Wildcats a 65-60 lead.

Free throws by Mills, Reeves and Stoudamire down the stretch sealed the victory. No. 7 Duke 91, North Carolina

David Robinson and rookie Shaquille O'Neal shared a ball if not teams at the All-Star Game.



David Robinson and rookie Shaquille O'Neal shared a ball if not teams at the All-Star Game.

Naturally, once the West failed to take the game by missing free throws and Mark Price's 3-pointer made it 117-115, Jordan rose to the challenge. Isolating on Majerle (who had just made a foul shot) in the center of the court, he drove right for a 15-footer that made it 118-117. Then after Tim Hardaway's foul shot, he again beat Majerle off the dribble, penetrated the lane, and found Patrick Ewing on the baseline for a 15-

And it's not like you can count on that working. The Bulls are trying to win their third straight title. The Suns have the best record in the league. If they meet in the finals, there would be a bonanza of high-profile players and matchups. But none, possibly, might figure more in the outcome of the series.

"We've both got a lot of work to do," said Majerle. "But, yeah, I've thought about it. Probably will again."

Chris Mills put Arizona ahead COLLEGE BASKETBALL for good with a three-point play, and the No. 4 Wildcats held No. 8 Cincinnati scoreless in the final three minutes for a 70-60 victory Sunday in Phoenix.

THIRD TEST India vs. Bradford, Perth Day Monday, in Bombay India 1st Innings: 91 all out England 2d Innings: 108-3 (99 over)

SCOREBOARD

Table with columns for Hockey (NHL Standings), Basketball (Major College Scores), and Baseball (The AP Top 25).

THE AP TOP 25

Table listing college basketball teams and their records.

BASKETBALL

Table listing major college basketball scores.

CRICKET

Table listing cricket match results.

All-Star Stats table showing player performance metrics.

WEST (132) and EAST (135) team statistics.

Three-point shots—East: 22 (Price 4, Jordan 1, 2, Williams 1-3, Dumars 1-4, Thomas 0-1, Schramm 0-1, Plemmon 0-2, West 7-9) (Majerle 4-4, Stockton 1-2, Barkley 0-2, Hardaway 1-1, Porter 1-5, O'Neal 0-1). Rebounds—East 44 (Ewing 10), West 76 (Malone, Robinson 10).

end, and the West had its second straight all-star victory, having won by 40 points last year. O'Neal scored 13 of his 14 points in the first half. He didn't play for most of the final quarter, while Ewing was on the floor, but he set the tone for the game with a hard foul on Robinson 29 seconds after the tipoff.

It caught the attention of some veterans. "You saw more competitiveness in this game than in quite a few All-Star games," Joe Dumars of Detroit said. "Shaquille opened it up with a hard foul right away. That kind of sets the tone — there's a new era, there're new guys in here, and they're competing. It kind of carries over to everybody else. Those guys have never experienced it before."

Said Jordan: "Everything surrounding the all-star weekend was built around Shaq and Larry Johnson, and Scottie (Pippen) and David Robinson were also both getting attention, and I think that's good for the game. I think the competitive atmosphere out on the court was similar to what the Olympic players went through in Monte Carlo. Everybody wanted to be at their best and win."

O'Neal said he had thought he would have first-quarter jitters. But after he went up and got fouled and hit both free throws, he said, "I took a deep breath, and I was all right. It was a well-fought game," he said, adding: "I think I did all right. I really didn't do much, but I think I did all right." He said he "would have liked to have been out there" in the fourth quarter, but Pat Riley, the coach for the East, "brought in the more experienced guys."

But, he said: "That's all right. I'll be there next year." Next: A Team in Toronto? Toronto may be the next city, and the first outside the United States, awarded an NBA franchise. The Associated Press reported.

The league's expansion committee met before the All-Star Game and, according to a statement, "indicated that it was favorably disposed toward expanding to Canada."

The only Canadian group to have applied for a franchise is the Toronto-based Palestra Group, headed by businessman Lawrence Tanenbaum. The league said it expects to receive applications from other interested Canadian parties.

The expansion committee will meet again in April and then report to the NBA Board of Governors later that month. The full board must vote on any expansion.

ESORTS & GUIDES and INTERNATIONAL CLASSIFIED advertisements.

ART BUCHWALD

Hey Nanny Nanny

WASHINGTON — A Washington lawyer friend of mine named Michael Specker called me in the middle of the night and said excitedly, "What do you think of this? I've been reading up on the new attorney general appointee, Janet Reno, who maintains that she doesn't have a 'nanny' problem because she has no children.



"Listen to this, she's got guts, she has integrity and doesn't take any stuff from anybody. Furthermore, she was a great state's attorney, she's single, and she has a mind of her own."

"There's more. She lived in a rustic cabin with her aged mother in the Everglades. Reno is crazy about the outdoors and enjoys hiking and canoeing and bird-watching."

"I said, 'Get to the point, Michael, it's 1 o'clock in the morning.'"

"Everyone agrees that she isn't as neat as a pin, but on the other hand she's not in favor of the death penalty nor is she pro-life — yet she follows the law."

"So?"

"I've been doing a computer search for a mate for her all evening, and I think that I've come up with the perfect match — Supreme Court Justice David Souter."

"You're crazy, Michael."

"Hear me out. Justice Souter lived alone in a house which he had rebuilt himself in New Hampshire with his aged mother."

"He likes hiking and nature and the outdoors. I couldn't find out if he was neat or not, but from what I've seen I wouldn't put him on any best-dressed list. He has a mind of his own and has come to many decisions that Reno agrees with, much to the horror of the conservatives on the court. What makes it an incredible situation is that they are both single."

"You've done your homework, Michael, but where are you going with all this?"

"I don't think it's a coincidence that Reno was selected. I believe that Hillary is behind it. Perhaps she persuaded Bill to appoint someone to the Justice Department who had the same résumé as a Supreme Court justice."

"It's an interesting match — so let's just follow through on it. Suppose Souter and Reno face each other in the court, their eyes lock, and it's love at first sight. Then they get married. You know what something like that could lead to?"

"Kids."

"Right, and what do kids lead to?"

"Souter and Reno need a nanny in order to fulfill their duties," Michael said. "Like most Americans they can't find one with a green card. I have a solution. They hire an illegal nanny and they get President Clinton to pardon her."

"That could work. What do you plan to do with all this match-making material?"

"I thought that you might plant it in the paper. It would give Souter and Reno something to think about."

"But they both like to live alone," I pointed out. "Won't matchmaking spoil their fun?"

"They could still be alone. They could alternate between New Hampshire and the Everglades and read each other's books."

"You've done wonderful work," I told Michael. "I'll send it up the Justice Department flag pole and see who salutes."

Britain Cuts Estimation Of Windsor Restoration

LONDON — Restoring Windsor Castle after a devastating fire in November will cost up to £40 million (about \$58 million), considerably less than the £60 million originally thought, the government said Monday.

Peter Brooke, the secretary of state for national heritage, said in a written parliamentary reply that "a very broad initial estimate of the costs of restoration suggests a figure in the range of £30 million to £40 million depending on the form of restoration." The Nov. 20 blaze destroyed much of the northeast wing.

Eric Clapton: The Music of Mourning

By Charles M. Young

NEW YORK — In a year characterized by the ragged flannel shirts, shapeless long hair and odd guitar tunings of grunge, Eric Clapton presented the most memorable image of 1992: a middle-aged man hunched over an acoustic guitar, singing quietly and sadly about death.

A huge hit that deals seriously with mourning, naked in its sentiment but unbesmirched by schmaltz, "Tears in Heaven," on the album "Unplugged," is rare in rock history. The Grammys have noticed with nine nominations.

After centuries as a major inspiration in folk music, death has made only sporadic appearances in rock 'n' roll. The melodramatic genre of "teen-age tragedy" produced a few hits in the early '60s, like "Last Kiss" by J. Frank Wilson. Every few years someone scores with a tribute song like "Missing You" by Diana Ross.

But true mourning has mostly been ignored and is plainly a subject whose time has come. So if "Unplugged" sweeps the Grammys on Wednesday, it won't be because the National Academy of Recording Arts and Sciences wants to compensate for having ignored Clapton's past accomplishments (among them: pioneering British blues and metal and introducing reggae to a mass audience with his cover of Bob Marley's "I Shot the Sheriff"). At 47, he is now speaking to his generation more effectively than he has in more than two decades.

On Aug. 27, 1990, a helicopter crash killed his friend, Stevie Ray Vaughan, and three members of Clapton's road crew after a concert in Alpine Valley, Wisconsin. Vaughan and Clapton had jammed that night and everyone agreed they were in top form. After long struggles with addiction, both had achieved sobriety to reclaim their position as the reigning blues guitarists of their generation. Then suddenly one of them was dead.

Less than a year later, Clapton's 4-year-old son, Conor, fell to his death from an unguarded window in his mother's Manhattan apartment. Under such dire circumstances, the basic questions of theology — "Why?" and "Where is he now?" — assume new urgency.

Almost folk art in its simplicity, "Tears in Heaven" offers no answers, just acceptance in the face of "Why?" and poignant, hesitant hope for "Where is he now?" Clapton wonders what's possible in heaven — will the departed know his name, be capable of friendship and love? And ultimately Clapton offers stoic strength, concluding that he doesn't belong in heaven just yet and will carry on with life.

"Unplugged" is one of the most surprising phenomena on the Billboard charts in several years. It is currently Warner Brothers' biggest-selling album, at four million in the United States and another four million overseas. It is Eric Clapton's biggest-selling record and a stark contrast to his 1991 live album, "24 Nights," a document of his annual concert series at the Albert Hall in London ("24 Nights" sold 250,000 on release, with the tally now 500,000 because of the influence of "Unplugged"). Many millions of people plainly have found something in Clapton's music that they didn't see in his recent past.

The chief musical appeal of "Unplugged" is the singing of someone who was called "God" by his fans for his electric guitar-playing since the early '60s. Clapton's voice has become an even more subtle instrument than his guitar. His understated phrasing is exquisite. So, unavoidably, "Unplugged" is easy listening.

The nine blues standards and five Clapton originals have an acoustic accompaniment that is even more understated than



After his son's death, Clapton poured his grief into his music.

Clapton's vocal. Baby boomers lost the habit of buying records as they started families but haven't lost the habit of reading their lives into songs; so it's the perfect album to get semi-balding mortgage-payers to brave a record store stuffed with young acolytes of Nirvana and Pearl Jam.

Clapton seems to have been born to sublimate. The son of a Canadian soldier who abandoned Eric's English mother shortly after his birth in 1945, he was raised by his grandparents, who tried to hide his illegitimacy.

In school, his education was typical of rock musicians: sensitive, artistic and physically weak, he considered himself an outcast and identified with a small group of social misfits who liked Buddy Holly.

His life was changed forever when he heard Robert Johnson for the first time, experiencing the pain of his own wounds and the eerie power of the musical genius from the distant Mississippi Delta. At 17, he picked up the guitar and practiced

fanatically and progressed fanastically, becoming the first of three great guitarists — the others being Jeff Beck and Jimmy Page — to lead the Yardbirds.

Though hugely influential for a million garage bands in this country, the Yardbirds were more rock than blues, and Clapton's purist instincts were not satisfied. Just as the band was taking off he quit to join John Mayall's Bluesbreakers, in which, in 1966, he recorded "Bluesbreakers, John Mayall With Eric Clapton," a classic of British blues. His creativity soon outstripped his purism, however, and he went on to found Cream, with Ginger Baker and Jack Bruce.

Although Clapton's reputation is built more on his sublime taste than on innovation (Jimi Hendrix was the revolutionary), Cream was the first power trio and expanded the boundaries of rock, jazz and blues. The guitar tone he achieved on "Fresh Cream" remains a sort of Holy Grail for heavy-metal aspirants. One can even see his taste: over the years, he has reinvented his appearance with almost every album and never looked silly — a claim that could be made for few others in rock.

Hopefully infatuated with Party Boy, wife of his close friend George Harrison, Clapton poured the pain of unrequited love into the two-record album "Layla," recorded with a new band called Derek and the Dominos. The intensity was just this side of unbearable, and many of the songs remain staples of classic-rock radio.

The album also showcased his acoustic potential in the little-noticed but beautiful "Thorn Tree in the Garden." When the Dominos fell apart in 1971, unable to sustain their high level of creativity and drug intake, Clapton retreated for a couple of years in to heroin addiction. He eventually beat his habit, but when he returned to recording, he preferred a more relaxed approach, scoring occasional hits with slow shuffles like "After Midnight."

By the early '80s, his career had faded not quite to obscurity but certainly to irrelevance. Even his legendary taste began to fail him, as he recorded a beer commercial just before going into rehabilitation for alcoholism in 1987.

Besides taste, Clapton's great strength has been passion, an ability to pour his present feelings into the ancient art form of blues, adhering to Ezra Pound's dictum of making it new. Without alcohol to anesthetize his pain, he has had no place to put it but in his music, making grief a little more bearable for the rest of the baby boom generation.

Charles M. Young, executive editor of Musician magazine, wrote this for The New York Times.

2 Films From 2 Chinas Share a 'Bear' in Berlin

The envelope, please. The Silver Bear winners are Denise Washington for best actor and Michelle Pfeiffer for best actress, at the Berlin International Film Festival — Washington for his portrayal of the title role in Spike Lee's "Malcolm X," and Pfeiffer for her role in Jonathan Kaplan's "Love Field." Both have been nominated for Oscars for the same roles. The festival's Golden Bear award for best film was shared by two Chinese-language films — only the second time in the festival's 43-year history that two films have shared the top honor. "The Wedding Banquet" from Taiwan, and "The Women from the Lake of Scattered Souls" from China, were picked from among 25 films in competition. British director Andrew Birkin was named best director for "The Cement Garden."

The bright lights of Broadway outshined California's sun in the wooing of David Letterman. CBS has announced it is buying the landmark Ed Sullivan Theatre for the late-night talk show star, who is leaving NBC this summer. But while New York will be Letterman's "permanent home," the network added that the show would make "extended visits" to Los Angeles. It reportedly is costing CBS \$4 million to buy the theater and the 14-story office building adjacent to it.

The American soprano Jessye Norman won the top prize in the 1992 Symphony Hall International Music Awards in Osaka, organizers said. Norman won the grand prize of 5 million yen (\$42,700) for her performance at a recital last September.

Those perennial bad boys Arf, Rose, Slash and the rest of Guns N' Roses begin a 26-concert North American tour Tuesday in Austin, Texas. Prince and his New Power Generation launch a tour March 8 in Fort Lauderdale, Florida. His Royal Purpleness will play in 10 cities.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 5

WEATHER

Table with weather forecasts for Europe, North America, Middle East, and Oceania. Columns include location, today's high/low, and tomorrow's high/low.

Forecast for Wednesday through Friday



North America: Snow and ice are likely in St. Louis Thursday and could reach Washington, D.C., Philadelphia and New York City Friday. In Atlanta, southerly winds are likely late this week, while Chicago will be much colder than usual. Rain is likely in San Francisco.

Europe: Much of Europe will have colder than normal weather this week. Snow will continue to accumulate over Southeastern Europe. Wednesday then tapers to blizzards Thursday. A storm will approach Scandinavia Thursday, spreading snow toward Oslo and Stockholm. Snow will continue Friday.

ASIA

Table with weather forecasts for Asia. Columns include location, today's high/low, and tomorrow's high/low.

Asia: Seoul will be cool and partly cloudy with some rain. Wednesday and Friday, gusty winds will blow in Tokyo. Wednesday, then Thursday and Friday will be rather pleasant. Shanghai will also have nice weather at the end of this week.

North America: Chicago 2/25-2/26: 32/21-32/21; Denver 2/25-2/26: 32/21-32/21; Houston 2/25-2/26: 32/21-32/21; Los Angeles 2/25-2/26: 32/21-32/21; Miami 2/25-2/26: 32/21-32/21; New York 2/25-2/26: 32/21-32/21; San Francisco 2/25-2/26: 32/21-32/21; Toronto 2/25-2/26: 32/21-32/21; Washington 2/25-2/26: 32/21-32/21.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution for puzzle of Feb. 22.

BOOKS

GATES: How Microsoft's Mogul Reinvented an Industry — and Made Himself the Richest Man in America

By Stephen Manes and Paul Andrews. 534 pages. \$25. Doubleday.

Reviewed by David Nicholson

IT is tempting to call Bill Gates's seemingly miraculous ascension as the king of software "the revenge of the nerd," but the truth of it is that Gates was no nerd. And while the rise of Microsoft to preeminence among international software makers may have involved luck and being in the right place at

BOOKS

THE RIGHT TIME, IT WAS HARDLY MIRACULOUS — THE PLAIN TRUTH IS THAT GATES WAS SMARTER THAN MOST PEOPLE AND THAT HE WAS WILLING TO WORK HARDER TOO.

"Gates," by Stephen Manes and Paul Andrews, is an impressive account of the life of the Microsoft chairman from his childhood to the emergence of the company he co-founded with a high-school and college friend, Paul Allen, as the world's leader in software. The book is meticulously researched. Microsoft's story of stunning success is often held up as an example of how America can compete in the world, at a time of alarming declines in American competitiveness. And yet, as interesting and important as this story is, this massive biography is perhaps more interesting for its portrait of Gates as a complex character — part Peter Pan, the boy who never grew up; part quintessential American thinker-tinker, heir to the tradition of Edison and Bell.

David Nicholson is on the staff of The Washington Post.

BOOKS

IN THE 10-GAME EXHIBITION MATCH IN Budapest, Judit Polgar was leading 3-2 against Boris Spassky.

In Game 3 Spassky departed from his Saemisch Attack, 5 f3 against Polgar's King's Indian Defense, to adopt the Averbakh Attack with 3 Be2 and 6 Bg5. In this, White delays the development of his king knight to hold open the option of such thrusts as g4 or h4. Meanwhile, Black cannot routinely advance in the center with 6 ... e5 because after 7 de de 8 Qd8 Rd8 9 Nd5 the pin wins material for White.

Polgar sacrificed a pawn with 11 ... a6!?, but Spassky snatched it with alacrity and after 12 Bb6 Bb6 13 Qd6 h5 14 Nf3 Qe7, he haughtily refused to defend but went right ahead with 15 Ng5! and an attack

CHESS

Polgar/Black

Chess board diagram showing a position after 16... Bg3. Includes text describing the game and a list of moves.

CHESS

recourse against the threat of 48 Nf6 mate! 47 Nd4 Kd4-48 Ng6 Ng6 49 Kxg6, Spassky's three extra pawns would win easily. Polgar gave up.

Table with chess moves and analysis for King's Indian Defense. Columns include White and Black moves and analysis.



Now good news can travel even faster.

AT&T USA Direct Service advertisement with a list of international phone numbers and a logo.